



CALIFORNIA HOUSING FINANCE AGENCY

CalPLUSSM
FHA Loan Program

LAST REVISED: AUGUST 2013

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Program Summary

The CalPLUSSM FHA program is an FHA-insured loan featuring a CalHFA fixed interest rate first mortgage. This loan is fully amortized for a 30-year term and is combined with the CalHFA Zero Interest Program (ZIP) for down payment assistance only.

The ZIP second loan is only available with CalPLUS and is a silent second loan for up to 3.5% of the first mortgage total loan amount, including Up Front Mortgage Insurance Premium (UFMIP). The interest rate is zero percent (0.00%) and the payment(s) are deferred for the life of the first mortgage or until the property is transferred or the first mortgage loan is refinanced.

The CalPLUS loan is not subject to Recapture Tax.

Eligibility

Borrower Requirements

- Each borrower must be a first-time homebuyer
- Each borrower must be a U.S. citizen, permanent resident alien or qualified alien
- All borrowers must meet the credit, income and loan requirements detailed in this program handbook, CalHFA Lender Manual, FHA, the lender, and CalHFA's master servicer.

Homebuyer Education

CalHFA Homebuyer Education is required for one occupying borrower on each loan transaction.

- CalHFA Online Homebuyer Education sponsored by [eHome](#) Eight-hour Homebuyer Education course can be taken online from a personal computer, or
- Face-to-Face Homebuyer Education through [NeighborWorks America](#)

First-Time Homebuyers Definition

All borrowers (including co-borrowers) must reside in the home and meet the definition of a first-time homebuyer. For CalHFA

purposes, a first-time homebuyer is defined as a borrower who has not had an ownership interest in any principal residence during the previous three years.

Exceptions to First-Time Homebuyer Requirements:

- Qualified veterans are not required to be first-time homebuyers pursuant to the Heroes Earnings Assistance and Relief Tax Act of 2008
- Borrowers purchasing a home located in a [federally designated targeted area](#) are not required to be first-time homebuyers
 - › Targeted areas, defined by the Federal Tax Act, are: 1) census tracts in which seventy percent (70%) or more of the families have an income which is eighty percent (80%) or less of the statewide median family income, and 2) areas of chronic economic distress as provided in Section 143(j) of the Internal Revenue Code of 1986.

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Eligibility (cont.)

Owner Occupancy

- All borrowers must occupy the property as their primary residence
- Borrowers must occupy the financed residence as the principal residence within 60 days of closing
- Non-occupant co-borrowers are not allowed
- Non-occupant co-signers are allowed per FHA guidelines
- Non-occupant co-signers:
 - › must not occupy the property
 - › must not be on title or have a vested interest in the property
 - › must sign all loan documents except the security instrument(s)
 - › will have their income, assets, liabilities and credit histories considered by underwriters
- Leaseholds/Land Trusts and Co-ops are not permitted
- Non-permitted additions/alterations must follow FHA guidelines
- FHA's Energy Efficient Mortgage (EEM) program is allowed per FHA requirements
 - › Loan must be clearly labeled as an EEM
 - › Provide copy of the Home Energy Rating System (HERS) report
 - › HUD-1 must clearly label the funds being held for energy improvements
- Lot size cannot exceed five (5) acres maximum
- Properties must meet the requirement of FHA and the California Health and Safety Code

Property Requirements

- Sales price of the home cannot exceed [CalHFA's sales price limits](#) established for the county in which the property is located.
- Property must be a single-family, one-unit residence, including approved condominium/PUDs.
- Defects and/or repair conditions identified by the appraiser on the appraisal report must be corrected prior to purchase by CalHFA's master servicer
 - › All units must be complete with respect to construction or repairs and ready to occupy
 - › Escrow Holdbacks must be cleared prior to purchase (except in the case of an Energy Efficient Mortgage)

Additional Property Guidelines

- Condominiums must be FHA approved
- Multiple units, including guest houses, "granny" units, "in-law" quarters, and any separate units containing kitchen facilities are not eligible
- Manufactured housing is not permitted

Property Flipping:

Follow the FHA first-mortgage underwriting guidelines

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Eligibility (cont.)

CalHFA requires a copy of all appraisals as required by FHA.

When multiple appraisals are required, CalHFA will base the subordinate loan amount(s) on the lesser of the sales price or least appraised value.

Lender Eligibility Requirements

- CalHFA-approved lenders are eligible for this program

- To be eligible to participate in this program, lenders must be also be approved by all of the following entities:
 - › FHA
 - › U.S. Bank, CalHFA's master servicer
- To seek U.S. Bank approval contact the Lender Management Group at Lender.management@usbank.com

Underwriting & Compliance

Transaction type

Purchase transactions only

Term

Up to 30 years

ZIP can be used for down payment assistance only. Cash back to the borrower is prohibited from this loan. Credit underwriting guidelines and details are inclusive within this program handbook.

FHA's Section of the Act

CalHFA will accept the following FHA

Section of the Act mortgage types:

- 203(b) Home Mortgage Insurance
- 234(c) Mortgage Insurance for Condominiums

- Interest rate: 0.00%
- The maximum ZIP loan amount is up to 3.5% of the total first mortgage loan amount (including financed UFMIP), not to exceed the FHA Minimum Required Investment
- Term matches the term of the first mortgage. Payments on ZIP are deferred for the life of the CalPLUS FHA first mortgage
- Repayment of the principal on ZIP shall be due and payable at the earliest of the following events:
 - › Transfer of title
 - › Payoff or refinance of the CalPLUS FHA first mortgage
 - › Upon the formal filing and recording of a Notice of Default (unless rescinded)

LTV and CLTV

Loan-to-Value (LTV):

Follow FHA first mortgage underwriting guidelines

Combined Loan-to-Value (CLTV):

CLTV cannot exceed 103.00%

Additional CalHFA subordinate loan(s) and grants may also be eligible to be layered with the CalPLUS FHA loan.

CalHFA Zero Interest Program (ZIP)

CalHFA Zero Interest Program (ZIP) can only be used with the CalPLUS FHA loan.

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Underwriting & Compliance (cont.)

Maximum Loan Amount

The maximum total loan amount (excluding UFMIP) cannot exceed the lesser of \$417,000 or FHA loan limits for the county in which the property is located.

For FHA High Balance loan limits please see [CalHFA rate sheet](#) for add-ons.

Maximum Loan Amount Worksheet

Maximum Sales Price Limits

The Sales Price of the home cannot exceed CalHFA [Sales Price Limits](#) for the county in which the property is located.

2013 SALES PRICE LIMITS

Effective: 8/5/13

Applicable for all CalHFA First Mortgage Programs

County	NEW CONSTRUCTION		RESALE	
	Non-Targeted	Targeted	Non-Targeted	Targeted
Alameda	\$673,616	\$823,308	\$673,616	\$823,308
Alpine	\$505,384	None	\$505,384	None
Amador	\$409,615	None	\$409,615	None
Butte	\$369,230	\$451,282	\$369,230	\$451,282
Calaveras	\$426,923	None	\$426,923	None
Colusa	\$366,923	None	\$366,923	None
Contra Costa	\$673,616	\$823,308	\$673,616	\$823,308
Del Norte	\$287,308	None	\$287,308	None
El Dorado	\$535,385	None	\$535,385	None
Fresno	\$351,923	\$430,129	\$351,923	\$430,129
Glenn	\$265,385	None	\$265,385	None
Humboldt	\$363,461	\$444,231	\$363,461	\$444,231
Imperial	\$300,000	\$366,666	\$300,000	\$366,666
Inyo	\$403,846	None	\$403,846	None
Kern	\$340,385	\$416,026	\$340,385	\$416,026
Kings	\$300,000	\$366,666	\$300,000	\$366,666
Lake	\$370,384	\$452,692	\$370,384	\$452,692
Lassen	\$263,077	None	\$263,077	None
Los Angeles	\$673,616	\$823,308	\$673,616	\$823,308
Madera	\$392,307	\$479,487	\$392,307	\$479,487
Marin	\$673,616	None	\$673,616	None
Mariposa	\$380,769	None	\$380,769	None
Mendocino	\$473,077	\$578,205	\$473,077	\$578,205
Merced	\$436,154	\$533,077	\$436,154	\$533,077
Modoc	\$250,200	None	\$250,200	None
Mono	\$488,308	None	\$488,308	None
Monterey	\$673,616	\$823,308	\$673,616	\$823,308
Napa	\$673,616	None	\$673,616	None
Nevada	\$519,231	None	\$519,231	None
Orange	\$673,616	\$823,308	\$673,616	\$823,308
Placer	\$535,385	None	\$535,385	None
Plumas	\$378,462	None	\$378,462	None
Riverside	\$461,539	\$564,103	\$461,539	\$564,103
Sacramento	\$535,385	\$654,359	\$535,385	\$654,359
San Benito	\$673,616	None	\$673,616	None
San Bernardino	\$461,539	\$564,103	\$461,539	\$564,103
San Diego	\$643,847	\$786,924	\$643,847	\$786,924
San Francisco	\$673,616	\$823,308	\$673,616	\$823,308
San Joaquin	\$451,154	\$551,410	\$451,154	\$551,410
San Luis Obispo	\$634,615	\$775,641	\$634,615	\$775,641
San Mateo	\$673,616	None	\$673,616	None
Santa Barbara	\$673,616	\$823,308	\$673,616	\$823,308
Santa Clara	\$673,616	\$823,308	\$673,616	\$823,308
Santa Cruz	\$673,616	None	\$673,616	None
Shasta	\$391,154	\$478,077	\$391,154	\$478,077
Sierra	\$281,308	None	\$281,308	None
Siskiyou	\$271,154	\$331,410	\$271,154	\$331,410
Solano	\$514,616	None	\$514,616	None
Sonoma	\$611,538	None	\$611,538	None
Stanislaus	\$391,154	\$478,077	\$391,154	\$478,077
Sutter	\$392,307	\$479,487	\$392,307	\$479,487
Tehama	\$288,462	None	\$288,462	None
Trinity	\$250,200	\$305,800	\$250,200	\$305,800
Tulare	\$300,000	\$366,666	\$300,000	\$366,666
Tuolumne	\$403,846	None	\$403,846	None
Ventura	\$673,616	\$823,308	\$673,616	\$823,308
Yolo	\$535,385	\$654,359	\$535,385	\$654,359
Yuba	\$392,307	\$479,487	\$392,307	\$479,487

Underwriting & Compliance (cont.)

Income Requirements

Lenders are required to calculate income to qualify borrower(s) for loan approval using FHA guidelines; in addition, CalHFA will review the borrower's income pursuant to program compliance.

3. live in the residence being financed

Due to federal regulations, CalHFA is required to compile all information regarding borrower's income.

Qualifying Income vs. Program Compliance Income

Qualifying income is the income used by the lender to determine that the borrowers have the ability to meet their monthly obligation. Lender will continue to adhere to the guidelines of their internal underwriting guidelines, mortgage insurer, master servicer and this program handbook. This income may differ from the income used by CalHFA for program compliance purposes. All sources of income must be used to determine program compliance income limits.

Family income includes:

Gross pay	Pensions
Overtime	Veterans
Bonuses	Administration (VA) compensation
Commissions	Gross rental or leased income
Part-time employment	Deferred income
Dividends	Welfare payments
Interest	Social security benefits
Annuities	Disability payments
Child support payments	Alimony
Human assistance/ services	Sick pay
Income received from Trust or Business & Investments from all sources (both taxable and non-taxable) including but not limited to earnings	Unemployment compensation
	Any regularly occurring additional income

Maximum Program Compliance Income Limits

The income of all borrowers cannot exceed the published [CalHFA income limits](#) detailed in this program handbook established for the county in which the property is located.

When multiple CalHFA loan programs are used in combination, the most restrictive income limits will apply.

CalHFA will calculate family income for CalPLUS FHA loan eligibility. "Family income" is defined as the annualized gross income of a mortgagor, and any other person who is expected to:

1. be liable on the mortgage
2. be vested on title; and

Family income excludes:

Gifts – casual, sporadic or irregular
Lump sum additions to household assets, such as inheritances, insurance settlement, capital gains, student financial assistance, settlements for personal or property losses

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Underwriting & Compliance (cont.)

Education scholarships paid directly to the student

Foster child care payments, adoption assistance payments if not used to credit qualify for the loan

Income from employment of minor dependents not on title

Food stamps

Verification of employment and other supporting documentation regarding income such as paycheck stubs should be no more than sixty (60) days old at the time of submission to the Agency for loan approval.

For more detailed information see [Lender Program Manual](#)

2013 INCOME LIMITS
CalPLUS, CalHFA FHA, ECTP & CHDAP

Effective: 8/5/13

Applicable Behind FHA Loans

County/Persons	1	2	3	4	5	6	7	8
ALAMEDA	\$ 75,250	\$ 86,000	\$ 96,750	\$ 107,500	\$ 116,150	\$ 124,700	\$ 133,350	\$ 141,900
ALPINE	\$ 68,650	\$ 78,450	\$ 88,250	\$ 98,050	\$ 105,900	\$ 113,800	\$ 121,600	\$ 129,450
AMADOR	\$ 55,700	\$ 63,650	\$ 71,600	\$ 79,550	\$ 85,950	\$ 92,300	\$ 98,700	\$ 105,050
BUTTE	\$ 47,200	\$ 54,000	\$ 60,750	\$ 67,500	\$ 72,900	\$ 78,250	\$ 83,700	\$ 89,100
CALAVERAS	\$ 56,100	\$ 64,100	\$ 72,150	\$ 80,150	\$ 86,550	\$ 93,000	\$ 99,400	\$ 105,800
COLUSA	\$ 46,600	\$ 53,250	\$ 59,900	\$ 66,600	\$ 71,900	\$ 77,200	\$ 82,600	\$ 87,900
CONTRA COSTA	\$ 75,250	\$ 86,000	\$ 96,750	\$ 107,500	\$ 116,150	\$ 124,700	\$ 133,350	\$ 141,900
DEL NORTE	\$ 46,600	\$ 53,250	\$ 59,900	\$ 66,600	\$ 71,900	\$ 77,200	\$ 82,600	\$ 87,900
EL DORADO	\$ 61,200	\$ 70,000	\$ 78,700	\$ 87,450	\$ 94,450	\$ 101,450	\$ 108,450	\$ 115,450
FRESNO	\$ 46,600	\$ 53,250	\$ 59,900	\$ 66,600	\$ 71,900	\$ 77,200	\$ 82,600	\$ 87,900
GLENN	\$ 46,600	\$ 53,250	\$ 59,900	\$ 66,600	\$ 71,900	\$ 77,200	\$ 82,600	\$ 87,900
HUMBOLDT	\$ 46,600	\$ 53,250	\$ 59,900	\$ 66,600	\$ 71,900	\$ 77,200	\$ 82,600	\$ 87,900
IMPERIAL	\$ 46,600	\$ 53,250	\$ 59,900	\$ 66,600	\$ 71,900	\$ 77,200	\$ 82,600	\$ 87,900
INYO	\$ 52,900	\$ 60,500	\$ 68,050	\$ 75,350	\$ 81,650	\$ 87,750	\$ 93,800	\$ 99,850
KERN	\$ 46,600	\$ 53,250	\$ 59,900	\$ 66,600	\$ 71,900	\$ 77,200	\$ 82,600	\$ 87,900
KINGS	\$ 46,600	\$ 53,250	\$ 59,900	\$ 66,600	\$ 71,900	\$ 77,200	\$ 82,600	\$ 87,900
LAKE	\$ 46,600	\$ 53,250	\$ 59,900	\$ 66,600	\$ 71,900	\$ 77,200	\$ 82,600	\$ 87,900
LASSEN	\$ 53,750	\$ 61,400	\$ 69,100	\$ 76,800	\$ 82,900	\$ 89,050	\$ 95,250	\$ 101,350
LOS ANGELES	\$ 52,150	\$ 59,600	\$ 67,050	\$ 74,500	\$ 80,450	\$ 86,400	\$ 92,350	\$ 98,350
MADERA	\$ 46,600	\$ 53,250	\$ 59,900	\$ 66,600	\$ 71,900	\$ 77,200	\$ 82,600	\$ 87,900
MARIN	\$ 82,850	\$ 94,750	\$ 106,600	\$ 118,450	\$ 127,900	\$ 137,400	\$ 146,850	\$ 156,350
MARIPOSA	\$ 49,350	\$ 56,350	\$ 63,400	\$ 70,450	\$ 76,100	\$ 81,700	\$ 87,400	\$ 93,050
MENDOCINO	\$ 46,600	\$ 53,250	\$ 59,900	\$ 66,600	\$ 71,900	\$ 77,200	\$ 82,600	\$ 87,900
MERCED	\$ 46,600	\$ 53,250	\$ 59,900	\$ 66,600	\$ 71,900	\$ 77,200	\$ 82,600	\$ 87,900
MODOC	\$ 46,600	\$ 53,250	\$ 59,900	\$ 66,600	\$ 71,900	\$ 77,200	\$ 82,600	\$ 87,900
MONO	\$ 64,050	\$ 73,200	\$ 82,350	\$ 91,500	\$ 98,850	\$ 106,150	\$ 113,450	\$ 120,750
MONTEREY	\$ 55,250	\$ 63,200	\$ 71,100	\$ 79,000	\$ 85,300	\$ 91,650	\$ 97,950	\$ 104,300
NAPA	\$ 69,250	\$ 79,200	\$ 89,050	\$ 98,950	\$ 106,900	\$ 114,850	\$ 122,750	\$ 130,650
NEVADA	\$ 58,400	\$ 66,750	\$ 75,100	\$ 83,450	\$ 90,100	\$ 96,800	\$ 103,500	\$ 110,150
ORANGE	\$ 70,150	\$ 80,200	\$ 90,250	\$ 100,250	\$ 108,250	\$ 116,300	\$ 124,300	\$ 132,350
PLACER	\$ 61,200	\$ 70,000	\$ 78,700	\$ 87,450	\$ 94,450	\$ 101,450	\$ 108,450	\$ 115,450
PLUMAS	\$ 49,900	\$ 57,000	\$ 64,150	\$ 71,300	\$ 77,000	\$ 82,700	\$ 88,400	\$ 94,100
RIVERSIDE	\$ 52,300	\$ 59,800	\$ 67,250	\$ 74,750	\$ 80,700	\$ 86,700	\$ 92,650	\$ 98,650
SACRAMENTO	\$ 61,200	\$ 70,000	\$ 78,700	\$ 87,450	\$ 94,450	\$ 101,450	\$ 108,450	\$ 115,450
SAN BENITO	\$ 65,250	\$ 74,600	\$ 83,900	\$ 93,200	\$ 100,700	\$ 108,100	\$ 115,600	\$ 123,050
SAN BERNARDINO	\$ 52,300	\$ 59,800	\$ 67,250	\$ 74,750	\$ 80,700	\$ 86,700	\$ 92,650	\$ 98,650
SAN DIEGO	\$ 61,050	\$ 69,850	\$ 78,550	\$ 87,300	\$ 94,300	\$ 101,250	\$ 108,200	\$ 115,200
SAN FRANCISCO	\$ 82,850	\$ 94,750	\$ 106,600	\$ 118,450	\$ 127,900	\$ 137,400	\$ 146,850	\$ 156,350
SAN JOAQUIN	\$ 53,350	\$ 60,950	\$ 68,600	\$ 76,200	\$ 82,300	\$ 88,450	\$ 94,500	\$ 100,600
SAN LUIS OBISPO	\$ 60,700	\$ 69,350	\$ 78,050	\$ 86,700	\$ 93,650	\$ 100,600	\$ 107,500	\$ 114,450
SAN MATEO	\$ 82,850	\$ 94,750	\$ 106,600	\$ 118,450	\$ 127,900	\$ 137,400	\$ 146,850	\$ 156,350
SANTA BARBARA	\$ 58,950	\$ 67,400	\$ 75,850	\$ 84,250	\$ 91,000	\$ 97,750	\$ 104,500	\$ 111,250
SANTA CLARA	\$ 84,900	\$ 97,050	\$ 109,200	\$ 121,300	\$ 131,050	\$ 140,700	\$ 150,450	\$ 160,100
SANTA CRUZ	\$ 70,050	\$ 80,000	\$ 90,000	\$ 100,050	\$ 108,050	\$ 116,050	\$ 124,050	\$ 132,050
SHASTA	\$ 47,450	\$ 54,250	\$ 61,000	\$ 67,850	\$ 73,250	\$ 78,700	\$ 84,100	\$ 89,550
SIERRA	\$ 58,100	\$ 66,400	\$ 74,750	\$ 83,000	\$ 89,700	\$ 96,300	\$ 102,950	\$ 109,600
SISKIYOU	\$ 46,600	\$ 53,250	\$ 59,900	\$ 66,600	\$ 71,900	\$ 77,200	\$ 82,600	\$ 87,900
SOLANO	\$ 66,450	\$ 75,950	\$ 85,450	\$ 94,950	\$ 102,550	\$ 110,150	\$ 117,750	\$ 125,350
SONOMA	\$ 66,450	\$ 75,950	\$ 85,450	\$ 94,950	\$ 102,550	\$ 110,150	\$ 117,750	\$ 125,350
STANISLAUS	\$ 49,900	\$ 57,000	\$ 64,150	\$ 71,300	\$ 77,000	\$ 82,700	\$ 88,400	\$ 94,100
SUTTER	\$ 47,800	\$ 54,650	\$ 61,450	\$ 68,300	\$ 73,750	\$ 79,250	\$ 84,700	\$ 90,150
TEHAMA	\$ 46,600	\$ 53,250	\$ 59,900	\$ 66,600	\$ 71,900	\$ 77,200	\$ 82,600	\$ 87,900
TRINITY	\$ 46,600	\$ 53,250	\$ 59,900	\$ 66,600	\$ 71,900	\$ 77,200	\$ 82,600	\$ 87,900
TULARE	\$ 46,600	\$ 53,250	\$ 59,900	\$ 66,600	\$ 71,900	\$ 77,200	\$ 82,600	\$ 87,900
TUOLUMNE	\$ 53,700	\$ 61,350	\$ 69,000	\$ 76,700	\$ 82,800	\$ 88,950	\$ 95,100	\$ 101,200
VENTURA	\$ 71,850	\$ 82,100	\$ 92,400	\$ 102,650	\$ 110,850	\$ 119,100	\$ 127,300	\$ 135,550
YOLO	\$ 61,900	\$ 70,750	\$ 79,550	\$ 88,450	\$ 95,500	\$ 102,550	\$ 109,650	\$ 116,750
YUBA	\$ 47,800	\$ 54,650	\$ 61,450	\$ 68,300	\$ 73,750	\$ 79,250	\$ 84,700	\$ 90,150

Underwriting & Compliance (cont.)

Qualifying Ratios

The maximum total Debt-to-Income ratio cannot exceed 43.00% regardless of automated underwriting decision.

Minimum Credit Score

Minimum 640 credit score:

- The borrower's spouse with no credit score may be eligible as long as the borrower(s) with credit scores meet the minimum representative credit score requirement
- When all borrowers have a credit score, they must all meet the minimum representative credit score requirement
- The middle score of the lowest-scoring borrower should be used to determine eligibility

Automated Underwriting

Acceptable Automated Underwriting Systems:

- Fannie Mae Desktop Underwriter (DU®) with an Approve/Eligible recommendation
- Freddie Mac Loan Prospector (LP®) with an Accept result

Other customized automated underwriting systems are not acceptable

Manual Underwriting is not allowed for this program

Borrower Minimum Required Investment

- The borrower is required to make a minimum down payment into the transaction per FHA guidelines
- CalHFA requires the borrower(s) to make a minimum required

investment on a sliding scale based on the borrower representative credit score:

- › Credit Score 640-679 \$1,500
- › Credit Score > 680 \$1,000

- Cash back to borrower is not allowed from the CalHFA minimum required investment
- The minimum required investment can be from the borrower's own fund or gift funds (excluding loans and grants) as per FHA guidelines

Sales Concessions/Contributions

Concessions/contributions as per FHA guidelines except for the following:

- Payment of condominium fees
- Personal property
- Down payment assistance

Miscellaneous Underwriting

- Credit Underwriting is the responsibility of the originating lender
- All loans are subject to audit by both CalHFA and the master servicer
- Underwriters must consider the income, assets, liabilities and credit histories of co-signers
- Underwriters should:
 - › Make sound credit decisions
 - › Assure data integrity
 - › Include all necessary documents in support of the underwriting decision

(continued on next page)

Underwriting & Compliance (cont.)

- 2-1 or 1-1 temporary buydowns are permitted as per FHA guidelines
 - › Loan must be credit qualified at Note rate

In the case of conflicting guidelines, the lender must follow the more restrictive to meet the credit, income limits, total debt-to-income ratio and loan and property requirements of CalHFA, FHA, the lender or the master servicer.

Subordinate Financing

CalHFA Subordinate Financing

This program may be layered with the following down payment and/or closing cost assistance options, when available:

- California Homebuyer's Downpayment Assistance Program (CHDAP)
 - › May be used for closing cost or down payment assistance
 - › In the case of conflicting guidelines, the lender must follow the more restrictive
 - › For full CHDAP underwriting guidelines and details see the [CHDAP Program Handbook](#)
- Extra Credit Teacher Program (ECTP)
 - › May be used for down payment assistance
 - › In the case of conflicting guidelines, the lender must follow the more restrictive
 - › For full ECTP underwriting guidelines and details see the [ECTP Program Handbook](#)

CHDAP and ECTP may not be combined.

Non-CalHFA Subordinate

This program may be layered with FHA-approved subordinate programs to be used for closing costs or down payment assistance as per individual requirements.

- The subordinate loan must meet FHA underwriting guidelines
- The maximum CLTV must meet CalHFA requirements
- In the case of conflicting guidelines, the lender must follow the more restrictive

Other Programs and Assistance

This program may be layered with CalHFA Mortgage Credit Certificate Tax Credit Program (MCC Tax Credit Program) or other Mortgage Credit Certificate (MCC) programs

- The MCC credit may not be used for credit qualifying purposes
- In the case of conflicting guidelines, the lender must follow the more restrictive
- For full CalHFA MCC Tax Credit Program underwriting guidelines and details see [MCC Tax Credit Program Handbook](#), or log onto the MCC Administrator's web site at www.ehousingplus.com

CalHFA Loan Process (Submission, Approval & Purchase)

The lender must submit a fully underwritten, lender-approved loan package to CalHFA for program policy and compliance review and desktop underwriting validation.

After the lender's designated underwriter has given final approval for the loan and has established that the borrower and property are within the CalHFA program eligibility limits, the lender may forward the loan to CalHFA for conditional approval. The loan package must have the underwriter's signed, final approval of loan closing and include all of the required documents.

CalHFA reviews loan files on a first-come, first-served basis. CalHFA reviewers will notify lenders of each conditional loan approval, suspension or rejection by fax. If the package is incomplete, the process will

be delayed and the file will be suspended until all items are complete and accurate. When the loan is approved, CalHFA will fax the Conditional Approval to the lender.

Upon receipt of the Conditional Approval, the lender is authorized to close and fund the loan(s). After funding, the lender will then ship a closed first mortgage purchase package to CalHFA's master servicer and any CalHFA subordinate loan (i.e. ZIP, ECTP or CHDAP) purchase packages to CalHFA for purchase.

Lenders must submit applicable ZIP, ECTP and CHDAP purchase packages to CalHFA at the same time the first mortgage is submitted to the master servicer to ensure the purchase of both loans meets the rate lock expiration.

Single Family Lending Loan Process

Step 1

- ▲ Lender reserves loan(s) in LAS System
- ▲ Lender underwrites file
- ▲ Lender submits file to CalHFA for conditional approval
- ◆ CalHFA conducts a pre file log in review.
- ▲ If key items are missing, file is not put in line for review until all suspended items are received from lender

Step 2

- ◆ File is put in line for compliance review
- ◆ CalHFA reviews file for compliance
- ▲ If file is suspended by CalHFA, lender submits all suspended items

Step 3

- ◆ CalHFA issues conditional approval
- ▲ Lender draws docs
- ▲ Lender funds
- ▲ Lender submits 1st mortgage purchase package to US Bank AND subordinate loan package(s) to CalHFA within 10 business days

Step 4

- US Bank reviews purchase package on 1st mortgage AND CalHFA reviews subordinate loan packages
- ▲ If file is suspended by CalHFA and/or US Bank, lender submits all suspended items
- CalHFA and/or US Bank purchases loan

Responsible Party Key



Lender



CalHFA



CalHFA/US Bank

Fees

Lender Allowable Fees (Origination & Processing)

- Customary origination fees not to exceed the greater of 2% of the loan amount or \$3,000
- Other customary fees such as credit report fee, appraisal fee, insurance fee or similar settlement or financing cost
- No additional fees are allowed for ZIP
- In all cases the lender must meet federal and California lending laws regarding fees and charges

Master Servicer Fees

- The master servicer funding fee is \$200 per loan

- Funding fees paid by the borrower or seller must be disclosed and documented on the final HUD-1 Settlement Statement
- Other customary master servicer fees may apply
- Lenders should refer to their legal/compliance department on how to disclose fees

Service Release Premium

- Lenders will earn a Service Release Premium (SRP) to release servicing to master servicer
- Master servicer will purchase loans directly from lender on a daily basis
- Master servicer will pay the SRP to lender at time of purchase

Reservation & Rate Lock

Interest rates are available on the CalHFA [Interest Rate page](#). Interest rates are subject to change at any time without notice.

Reservation and Rate Lock

- A sales contract must be executed prior to reservation
- Lenders must reserve loans including ZIP, CHDAP or ECTP using CalHFA Lender Access System (LAS) prior to loan submission
- At the time of reservation the lender will have the option to float or lock the interest rate
 - › Reservations with a floating rate will be accepted from 6:00 a.m. to 11:59 p.m. Pacific Time, seven days a week
 - › Lender reserves loan for 90 days on existing/resale properties or 120 days on new construction properties
 - › Reservations which include a rate lock will be accepted from 8:00 a.m. to 3:00 p.m. Pacific Time, Monday through Friday, excluding state-recognized holidays, and days that the U.S. financial markets are closed for business.
- Rate lock period will be 60 days (45 days to fund/15 days to purchase) for both existing/resale properties and new construction properties
- The rate lock expiration date supersedes the reservation expiration

(continued on next page)

Reservation & Rate Lock (cont.)

date on both the first mortgage and all CalHFA subordinate loans

- Reservation and rate lock period will run without interruption
- CalHFA ZIP loan will be reserved and locked at the time the CalPLUS first mortgage is locked. The ZIP will receive the same reservation, lock and purchase periods as the first mortgage
- All CalHFA subordinate loan(s) will receive the same reservation, lock and purchase periods as the first mortgage

Rate Lock Requests made after Reservation (Float option only):

- Rate lock requests will be accepted between the hours of 8:00 a.m. and 3:00 p.m. Pacific Time, Monday thru Friday, excluding state-recognized holidays and U.S. financial market closures
- Lender may lock the interest rate at any time during the reservation period
- Rate will be locked for 60 days (45 days to fund/15 days to purchase) for both resale properties and new construction properties
- Lender must complete the [Rate Lock Request form](#) on the CalHFA web site when ready to lock the rate. Fax or telephone rate lock requests will not be accepted
- When requesting a rate lock, the request must be at the same or lower interest rate than the rate at which the previously submitted file was underwritten or rate lock will not be accepted

- For loan files with a higher requested locked rate than the initial file submission, the lender must re-submit all updated loan documents at the higher rate including Approved/Eligible DU[®] findings, lender-signed HUD 92900-LT, and final underwriting approval for CalHFA consideration and rate lock

Delivery Timeframes, Re-Reservations and Extensions:

- The first mortgage loan must be funded, delivered and purchased by the master servicer prior to the rate lock expiration
 - › All CalHFA subordinate loans must be funded, delivered and purchased by CalHFA concurrently with the first mortgage
- All rate lock extensions must be requested from CalHFA's Secondary Marketing Unit prior to the rate lock expiration date
 - › If rate lock has expired or is cancelled, lender may not re-lock until sixty (60) days after previous expiration date
 - › Rate lock extensions:
 - » 30 days 0.375 bps
 - » Only one (1) rate lock extension will be granted per rate lock
 - › This fee is to be net funded from the lender's proceeds at time of purchase
 - › This fee may be charged to the borrower(s) or seller(s). Refer to

(continued on next page)

Reservation & Rate Lock (cont.)

- your compliance department for how to disclose this fee
- Lender should factor in its own processing/underwriting time frames,

as well as CalHFA compliance and conditional approval review, and master servicer review for purchase time frames when locking interest rates and submitting loan files

Basic Home Protection Coverage

Mandatory Home Warranty Insurance Coverage

- CalHFA requires that all borrower(s) obtain a two-year home warranty protection policy
- The insurance must cover the following items at a minimum:
 - › Water Heater(s)
 - › Air Conditioning
 - › Heating
 - › Refrigerator
 - › Oven/Stove/Range
 - › Microwave
 - › Washer/Dryer
- Borrower must execute the Borrower Acknowledgement of the Purchase of a 2-year Home Warranty Protection Plan
- Home Warranty to be paid through close of escrow
- Home Warranty must be disclosed on Final Settlement Statement or copy of insurance declaration page required to show a two-year policy

Pre-Closing Loan Submission

Loan Submission Process

A lender makes reservations through CalHFA's Lender Access System (LAS). Only one loan package should be submitted to CalHFA for credit validation and compliance review for the CalPLUS FHA and ZIP loan programs as well as any additional CalHFA subordinate loans. Refer to the [Loan Submission Checklist](#) for minimum documentation requirements.

The lender must submit a fully underwritten, lender-approved loan package to CalHFA for automated underwriting validation and program compliance review.

After validation review, CalHFA will issue a Conditional Approval, Loan Suspension, or a Denial. Once the loan is conditionally approved, the loan may be funded, closed and delivered for purchase.

All closed first mortgages must meet FHA and Ginnie Mae standards.

CalPLUS FHA loan submission packages are to be sent to:

CalHFA

Single Family Lending – MS 910
500 Capitol Mall, Ste. 400
Sacramento, CA 95814
877.922.5432

(continued on next page)

Pre-Closing Loan Submission (cont.)

Checklist

Use the Loan Submission Checklist to ensure you are submitting a complete and accurate package.

Forms

The following forms will be needed when submitting a CalPLUS FHA loan to CalHFA:

1. Loan Submission Checklist (07/26/13)
2. Borrower's Affidavit for Non-Mortgage Revenue Bond Loans (07/02/13)
3. Seller's Affidavit for Non-Mortgage Revenue Bond Loans (07/02/13)
4. Tax Return Affidavit (07/10/13)
5. Military Service Questionnaire (08/15/06)
6. Borrower Acknowledgement for Purchase of a 2-year Home Warranty Protection Plan (07/11/13)
7. Borrower Affidavit of Household Size (11/15/12)
8. Borrower's Certification & Authorization (11/15/12)
9. Statement of Citizenship, Alienage & Immigration Status for State Public Benefits (07/26/13)
10. Notice of Determination of Ineligibility (07/24/13)
11. Lender Verification of Citizenship/Qualified Alien Status (12/15/02)



California Housing Finance Agency

CALHFA Loan Submission Check List

Submit Copies Only

*A complete submission package including these items must be submitted before loan can be placed in line for review

**Not Required for CHDAP Stand-Alone submissions

LEFT SIDE

- ** ☐ **Borrower's Affidavit (07/02/13)** – all fields completed. Borrower(s) and Lender to sign and date
- ** ☐ **Seller's Affidavit (07/02/13)** – all fields completed. Seller(s) to sign and date
- ** ☐ **Statement of Citizenship, Alienage, and Immigration Status for State Public Benefits (07/26/13)** – Each borrower to complete applicable Section A, B or C. Each borrower must complete and sign a separate form
- ** ☐ **Lender Verification of Citizenship/Qualified Alien Status (12/15/02)** - Lender to fully complete, sign and date
 - ☐ **Military Service Questionnaire (08/15/06)** – Borrower(s) to complete, sign and date
 - ☐ **Borrower(s) Certificate of Completion of Homebuyers Education Counseling** – for all borrowers and from acceptable source
 - ☐ **Borrower Affidavit of Household Size (11/15/12)** Borrower(s) to complete, sign & date
 - ☐ **Borrower's Certification & Authorization (10/30/12)** – Borrower(s) to complete, sign & date
- ** ☐ **Borrower Acknowledgement for Purchase of a 2-year Home Warranty Protection Plan (07/11/13)** – Borrower(s) to complete, sign & date
 - ☐ **ECTP Eligibility Certificate (7/18/13)** – Borrower(s) to complete sign & date
 - ☐ **ECTP Service Commitment (7/18/13)** – Borrower(s) to sign & date

RIGHT SIDE

- * ☐ **FINAL FHA 92900-LT (LT)** must be approved at highest insurable rate possible and signed by lender's underwriter (if LT is not signed supply HUD form 92900-A signed by underwriter)
- * ☐ **FINAL Automated Underwriting Findings** – Approve/Eligible decision from Fannie Mae's Desktop Underwriter® (DU®), Accept results for Freddie Mac Loan Prospector (LP) **must match the signed FINAL LT.** Manual Underwriting is not allowed
- * ☐ **Lender's FINAL In-House Underwriting Approval*** with list of conditions. All loan information and terms **must match the signed**

RIGHT SIDE (Continued)

- FINAL LT and AUS** * a Credit Only Approval and a Underwriter signed HUD form 92800.5B will be acceptable
- * ☐ **FINAL and/or Initial Loan Application (1003)** for Borrowers(s) (and co-signer(s), as applicable) Must be signed by all applicants (electronic signatures are not acceptable)
- ☐ **Credit Report** must match FINAL automated findings report. Social Security number(s) must match documentation in file. Supply credit report for non-purchasing spouse if applicable
- ☐ **All Signed Explanation Letters**, as applicable
- ☐ **Verification of Employment** – written or verbal (must verify start date) – no more than 60 days old
- ☐ **Pay Stub(s) Covering a 30-Day Period** – no more than 60 days old
- ☐ **W-2(s)** – most current year and from all sources
- ☐ **Signed YTD Profit & Loss** on any Federal Schedule C or E Income, as applicable
- ☐ **Federal Income Tax Returns (1040s)** - Complete copies from the last 3 years
- ☐ **CalHFA Tax Return Affidavit and Verification of Rents (07/10/13)**– ONLY for borrower(s) not required to file 1040s
- ☐ **IRS Form 4506** (Item #5 to be left blank) signed by Borrower(s)
- ☐ **Evidence of Child Support received** Satisfactory Court documents or other documentation to evidence receipt of support
- ☐ **Verification of Funds to Close** (e.g., bank statements, gift letter, funds. etc.)
- ☐ **Purchase Contract or Escrow Instructions & Short Sale Approval (if applicable)** – full copy. Sales price must match signed 1008/LT/VALA
- * ☐ **Appraisal (URAR)** with photos, sketch, map and appraiser's signature – no more than 120 days old. For FHA Only – supply all appraisals required under Property Flip Guidelines
- ☐ **"Life of Loan" Standard Flood Hazard Determination**
- ☐ **Lender's Warranty for Condominium/Attached PUD** (see Fannie Mae Announcement)
- * ☐ **Preliminary Title Report** with map and address supplement –no more than 120 days old

Note: This check list represents the minimum documents required for CalHFA approval. Other documents may be required by underwriter/reviewer.

Rev 8/19/2013



BORROWER'S AFFIDAVIT

(For Non Mortgage Revenue Bond (MRB) Loans)

I, _____, and I, _____
"Applicant(s)", have applied for a home mortgage originated by _____, pursuant
to the Mortgage Program of the California Housing Finance Agency ("CalHFA"), do hereby represent and warrant
as follows:

1. The residence to be financed with the proceeds of the mortgage loan is located within the County of:
_____ at _____
2. The residence is reasonably suitable for occupancy by not more than one family.
3. (I/We) will occupy the residence as (my/our) principal place of residence within 60 days of the closing of the residence mortgage, (I/We) do not intend to, and have not entered into any arrangement to, rent, sell, assign or transfer the residence.
4. This loan is to be FHA insured. Borrower understands that if the Agency, or other holder of the loan takes the home through foreclosure of the Deed of Trust securing the loan because of a failure to occupy as primary residence, or Borrower has committed fraud or intentionally misrepresented himself when Borrower applied for the loan, HUD will not be able to help Borrower. Furthermore, if the money received from the foreclosure sale is not enough to pay the remaining amount of money Borrower owes on the loan, Borrower may, pursuant to applicable laws, be subject to a deficiency judgement (a court ruling that Borrower must pay whatever money is still owed on the loan after the foreclosure sale).
5. (I/We) will not use more than 15% of the total area of the residence or otherwise use the residence primarily in a trade or business which qualifies (me/us) to a deduction for expenses for business use of residence under Section 280A of the Internal Revenue Code, use the residence as investment property and will not receive any income from the residence or the land being purchased with the residence, or use the residence as a recreational residence.
6. All of the land being purchased with the home is required to maintain the basic livability of the residence, and (I/we) have no intention of subdividing such land or otherwise selling it apart from the residence.
7. (I/We) have submitted to CalHFA a true and correct copy of the purchase contract together with all other agreements which (I/we) have entered into with the seller of the residence.
7. a. The Acquisition Cost* of the residence as shown in the purchase contract is \$ _____. Neither (I/we) nor anyone on (my/our) behalf has made any payment other than such amount to the seller of the residence or to any other person on behalf of the seller, nor have (I/we) cancelled any debt of the seller or any related person of the seller.
- b. (I/We) have not entered into any agreement with the seller of the home, the developer, the contractor, or any other person pursuant to which any portion of the residence has been left unfinished or any fixtures or other architectural appointments have been omitted or removed from the residence in order to reduce the Acquisition Cost, and the home as sold to (me/us) is substantially complete and contains all appropriate fixtures and other architectural appointments.

*The term "Acquisition Cost" means the cost of acquiring a residence from the seller as a completed unit. The term does not include usual and reasonable settlement or financing costs. It does include the amount of any lien or assessment to which the home is subject .

BORROWER'S AFFIDAVIT

8. (I/We) will not use any part of the loan proceeds to acquire or replace an existing mortgage or loan which (I/we) have on the residence.
9. (I/We) will not allow the property to be transferred during the term of the loan without the approval of the California Housing Finance Agency, or other holder of the loan.
10. (I/We) have not previously been the borrower(s) of a CalHFA financed loan (not applicable if this is an assumption of a CalHFA/FHA loan).
11. (I/We) understand that the CalHFA approved sales price limits for existing houses are, in some counties of California, less than the CalHFA approved sales price limits for new construction. THIS COULD RESULT IN A LOWER SALES PRICE LIMIT UPON THE TRANSFER OF THE HOME MORTGAGE THAN WAS ORIGINALLY PAID FOR THE RESIDENCE. At the date of this Affidavit the CalHFA approved sales price for an **EXISTING** house in _____ County is \$_____.
12. (I/We) certify that (my/our) annualized gross income for the last calendar year is _____.
13. The Borrower will be required to make monthly payment into an impound account held by the Lender to pay for property taxes, hazard insurance and mortgage insurance.
14. (I/We) certify that (I/we) are citizens or other nationals of the United States or a qualified alien as defined in the Citizenship and Alien Verification regulations of the California Housing Finance Agency set forth in Title 25 of the California Code of Regulations, Division Z, Chapter 3 (Sections 12001, *et. seq.*) which implement federal legislations known as Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Pub. L. No. 104-193, 8 U.S.C. Sections 1601, *et. seq.*).

15. (I/We) Certify that (my/our) Social Security Numbers are:

_____ Name of Borrower #1	Social Security Number _____
_____ Name of Borrower #2	Social Security Number _____
_____ Name of Borrower #3	Social Security Number _____
_____ Name of Borrower #4	Social Security Number _____

BORROWER'S AFFIDAVIT

16. The following information is requested by the federal government. California law requires that such information, when collected, be broken down into more specific categories as described below. You are not required to furnish this information, but are encouraged to do so. The law provides that a lender may not discriminate on the basis of this information, or on whether you choose to furnish it.

BORROWER #1	BORROWER #2	BORROWER #3	BORROWER #4
I do not wish to furnish this information <input type="checkbox"/>	I do not wish to furnish this information <input type="checkbox"/>	I do not wish to furnish this information <input type="checkbox"/>	I do not wish to furnish this information <input type="checkbox"/>
Gender Male <input type="checkbox"/> Female <input type="checkbox"/>	Gender Male <input type="checkbox"/> Female <input type="checkbox"/>	Gender Male <input type="checkbox"/> Female <input type="checkbox"/>	Gender Male <input type="checkbox"/> Female <input type="checkbox"/>
Ethnicity <input type="checkbox"/> Not Hispanic or Latino <input type="checkbox"/> Hispanic or Latino	Ethnicity <input type="checkbox"/> Not Hispanic or Latino <input type="checkbox"/> Hispanic or Latino	Ethnicity <input type="checkbox"/> Not Hispanic or Latino <input type="checkbox"/> Hispanic or Latino	Ethnicity <input type="checkbox"/> Not Hispanic or Latino <input type="checkbox"/> Hispanic or Latino
Race or National Origin <input type="checkbox"/> American Indian or Alaskan Native	Race or National Origin <input type="checkbox"/> American Indian or Alaskan Native	Race or National Origin <input type="checkbox"/> American Indian or Alaskan Native	Race or National Origin <input type="checkbox"/> American Indian or Alaskan Native
<input type="checkbox"/> Asian (specify) <input type="checkbox"/> Asian Indian <input type="checkbox"/> Cambodian <input type="checkbox"/> Chinese <input type="checkbox"/> Filipino <input type="checkbox"/> Guamanian <input type="checkbox"/> Hawaiian <input type="checkbox"/> Japanese <input type="checkbox"/> Korean <input type="checkbox"/> Laotian <input type="checkbox"/> Samoan <input type="checkbox"/> Vietnamese	<input type="checkbox"/> Asian (specify) <input type="checkbox"/> Asian Indian <input type="checkbox"/> Cambodian <input type="checkbox"/> Chinese <input type="checkbox"/> Filipino <input type="checkbox"/> Guamanian <input type="checkbox"/> Hawaiian <input type="checkbox"/> Japanese <input type="checkbox"/> Korean <input type="checkbox"/> Laotian <input type="checkbox"/> Samoan <input type="checkbox"/> Vietnamese	<input type="checkbox"/> Asian (specify) <input type="checkbox"/> Asian Indian <input type="checkbox"/> Cambodian <input type="checkbox"/> Chinese <input type="checkbox"/> Filipino <input type="checkbox"/> Guamanian <input type="checkbox"/> Hawaiian <input type="checkbox"/> Japanese <input type="checkbox"/> Korean <input type="checkbox"/> Laotian <input type="checkbox"/> Samoan <input type="checkbox"/> Vietnamese	<input type="checkbox"/> Asian (specify) <input type="checkbox"/> Asian Indian <input type="checkbox"/> Cambodian <input type="checkbox"/> Chinese <input type="checkbox"/> Filipino <input type="checkbox"/> Guamanian <input type="checkbox"/> Hawaiian <input type="checkbox"/> Japanese <input type="checkbox"/> Korean <input type="checkbox"/> Laotian <input type="checkbox"/> Samoan <input type="checkbox"/> Vietnamese
<input type="checkbox"/> Black or African American	<input type="checkbox"/> Black or African American	<input type="checkbox"/> Black or African American	<input type="checkbox"/> Black or African American
<input type="checkbox"/> White	<input type="checkbox"/> White	<input type="checkbox"/> White	<input type="checkbox"/> White
<input type="checkbox"/> Other _____	<input type="checkbox"/> Other _____	<input type="checkbox"/> Other _____	<input type="checkbox"/> Other _____

IF YOU CHOOSE NOT TO FURNISH THE ABOVE INFORMATION AND YOU HAVE MADE THIS APPLICATION IN PERSON, UNDER FEDERAL REGULATIONS THE LENDER IS REQUIRED TO NOTE YOUR RACE OR NATIONAL ORIGIN AND SEX ON THE BASIS OF VISUAL OBSERVATION OR SURNAME.

(I/We) have read the Promissory Note and Deed of Trust, and (I/we) understand that the loan may be accelerated upon the occurrence of certain events specified therein.

BORROWER'S AFFIDAVIT

(I/We) understand that, if (I/we) have made any material misstatements in the foregoing representation or omitted to state any of the information requested, the following may occur:

1. The office of the district attorney will be contacted for investigation regarding misrepresentation and fraud.
2. The outstanding principal balance of the loan will be immediately due and payable together with accrued interest and foreclosure costs (if foreclosure is necessary because payment in full or the outstanding principal balance and accrued interest thereon is not made immediately).
3. The rate of interest on the loan from the date of discovery will, at the option of the holder, increase to the maximum amount permitted by law and the monthly payment amount will be increased to amortize the loan over the term of the original note.

(I/We) declare under penalty of perjury that the foregoing warranties and representations are true and correct. Executed on the date or dates shown below.

_____ Date and City	_____ Signature – Borrower #1
_____ Date and City	_____ Signature – Borrower #2
_____ Date and City	_____ Signature – Borrower #3
_____ Date and City	_____ Signature – Borrower #4

-LENDER STATEMENT-

I have explained the contents of this affidavit to each of the Borrowers whose signature appears above, and I have no reason to believe that those individuals made any misstatements in the warranties and representations required to be made herein or omitted to state any of the information requested. If Borrower(s) chose not to furnish the following information, under Federal regulations Lender is required to note ethnicity, race and sex on the basis of visual observation or surname.

BORROWER #1	BORROWER #2	BORROWER #3	BORROWER #4
Male <input type="checkbox"/> Female <input type="checkbox"/>	Male <input type="checkbox"/> Female <input type="checkbox"/>	Male <input type="checkbox"/> Female <input type="checkbox"/>	Male <input type="checkbox"/> Female <input type="checkbox"/>
Ethnicity: <input type="checkbox"/> Not Hispanic or Latino <input type="checkbox"/> Hispanic or Latino	Ethnicity: <input type="checkbox"/> Not Hispanic or Latino <input type="checkbox"/> Hispanic or Latino	Ethnicity: <input type="checkbox"/> Not Hispanic or Latino <input type="checkbox"/> Hispanic or Latino	Ethnicity: <input type="checkbox"/> Not Hispanic or Latino <input type="checkbox"/> Hispanic or Latino
Race or National Origin: _____	Race or National Origin: _____	Race or National Origin: _____	Race or National Origin: _____

_____ Date and City	_____ Signature of Officer or Lender
------------------------	---



SELLER'S AFFIDAVIT
(For Non-Mortgage Revenue Bond (MRB) Loans)

I, _____, and I, _____, as
seller(s) of a residence to _____ and
_____, as purchaser(s), do hereby represent and warrant as
follows:

1. The residence is located within the County of _____ at _____

2. The residence is reasonably suitable for occupancy by not more than one family.
3. a. The acquisition cost* of the residence as shown in the purchase contract is
\$ _____ .
b. Neither the purchasers nor anyone on their behalf has made any payment other than the
amount shown in "a." to (me/us) or to any other person on (my/our) behalf, nor have they
canceled any debt owed by (me/us) or by any person related to (me/us).
c. (I/We) have not entered into any agreement with the purchasers of the residence pursuant
to which any portion of the residence has been left unfinished or any fixtures or other
architectural appointments have been omitted or removed from the residence in order to
reduce the acquisition cost, and the residence as sold to the purchasers is substantially
complete and contains all appropriate fixtures and other architectural appointments.
d. The purchasers are not required to pay more than a pro rata share of assessments.
4. The residence **(HAS/HAS NOT)** been previously occupied by the purchasers or others prior
to the closing of the residential mortgage. **(Circle One)**

**(I/We) declare under penalty of perjury that the foregoing
representations are true and correct.**

Date and City _____ **Signature** _____

Date and City _____ **Signature** _____



TAX RETURN AFFIDAVIT

I, _____, and I, _____, as applicants for a home mortgage loan originated by: _____, pursuant to the Mortgage Loan Program of the California Housing Finance Agency, do hereby represent and warrant that (I/we) were not required to file a federal income tax return for the calendar year(s) _____ in accordance with section 6012 of the Internal Revenue Code.

In lieu of tax returns, the lender must provide a verification of rents for the calendar year(s) referenced above.

(I/We) declare under penalty of perjury that the foregoing is true and correct. Executed on the date or dates shown below.

Date

Signature of Borrower

Date

Signature of Borrower



MILITARY SERVICE QUESTIONNAIRE

(For Informational Purposes Only)

CalHFA Manifest Number _____

Property Address _____

Street

City

State

Zip

Borrower Name _____

Co-Borrower (1) Name _____

Co-Borrower (2) Name _____

Co-Borrower (3) Name _____

Military Service: Is this person now serving, or has this person ever served on active duty in the U.S. Armed Forces, Military Reserves, or National Guard?

Borrower ☐ Yes ☐ No ☐ Decline to Report

Co-Borrower (1) ☐ Yes ☐ No ☐ Decline to Report

Co-Borrower (2) ☐ Yes ☐ No ☐ Decline to Report

Co-Borrower (3) ☐ Yes ☐ No ☐ Decline to Report

Signature of Borrower

Date

Signature of Co-Borrower (1)

Date

Signature of Co-Borrower (2)

Date

Signature of Co-Borrower (3)

Date



Borrower Acknowledgment for Purchase of a 2-year Home Warranty Protection Plan

To protect first-time homebuyer(s) from potential financial hardships, CalHFA requires a 2-year home warranty protection plan to be added to the purchase on any first loan financed through CalHFA. A home warranty protection plan covers the repair or replacement of many home appliances and system components.

A home warranty protection plan can be purchased from any home warranty provider if the policy covers a minimum of these household items:

- Water Heater(s)
- Air Conditioning
- Heating
- Refrigerator
- Oven/Stove/Range
- Microwave
- Washer/Dryer

I, _____ and I, _____
"Applicant(s)", have applied for a home mortgage originated by _____,
Pursuant to the Mortgage Program of the California Housing Finance Agency
("CalHFA"), do hereby represent and warrant:

☐ I/we will purchase during escrow a minimum of a two-year home warranty protection plan of my choosing covering the minimum list of items stated above for the residence being financed by CalHFA

☐ I/we will be purchasing a new construction property from a builder. The builder is providing a home warranty that meets state warranty standards. I/we will be accepting the builder's home warranty and not purchasing an addition home warranty. Additionally, I therefore agree that the above listed appliances are covered under either the builder or manufacture warranty.

Property known as:

Street Address

City

State

Zip



I/We declare that the foregoing is true and correct. Executed on the date shown below:

Date: _____

Printed Name of Applicant

Printed Name of Applicant

Signature of Applicant

Signature of Applicant

**Borrower Affidavit of Household Size**

I, _____ and I, _____
“Applicant(s)”, have applied for a home mortgage originated by _____,
Pursuant to the Mortgage Program of the California Housing Finance Agency (“CalHFA”), do hereby
represent and warrant as follows:

The residence to be finance with the proceeds of the mortgage loan is located within the County of _____
at:

Address 1

Address 2

City

State

Zip

The Residence is reasonably suitable for occupancy by not more than one family.

(I/We) certify that the total number of members of (my/our) family, including (me/us) who will reside in the residence on a permanent primary basis is _____, and that the applicant(s), and only the applicant(s), (is/are) acquiring a present ownership interest in the residence. Household/family size is defined as all persons who will reside in the residence on a permanent primary basis.

(I/We) certify that the following person(s) will live in the residence on a permanent primary basis:

Name	Relationship	Age

(I/We) declare under penalty of perjury that the foregoing is true and correct. Executed on the date shown below.

Date: _____

Printed Name of Applicant

Printed Name of Co-Applicant

Signature of Applicant

Signature of Co-Applicant



Authorization to Release Information

Property Address _____
Street City State Zip

To Whom It May Concern,

I, _____ and I, _____
“Applicant(s)” authorize you to provide California Housing Finance Agency (CalHFA), and to any investor to whom CalHFA may have sold our loan, any and all information and documentation that they request. Such information includes, but is not limited to: employment and income history; present income; bank, money market, and similar account balances, credit history, and copies of income tax returns.

CalHFA may verify information of the same nature as that contained in my/our loan application and in other documents required in connection with the loan, either before the loan is closed or as part of CalHFA’s quality control program.

A copy of this authorization may be accepted as an original. This Authorization terminates upon payoff of the loan(s).

Your prompt reply to California Housing Finance Agency or the investor that purchased the loan is appreciated.

NOTICE TO BORROWERS: This is notice to you as required by the Right to Financial Privacy Act of 1978 that HUD/FHA has a right of access to financial records held by financial institutions in connection with the consideration or administration of assistance to you. Financial records involving your transaction will be available to HUD/FHA without further notice or authorization but will not be disclosed or released by this institution to another Government Agency or Department without your consent except as required or permitted by law.

Date: _____

_____ Name (Typed or Printed)	_____ Borrower’s Signature	_____ Social Security Number
_____ Name (Typed or Printed)	_____ Borrower’s Signature	_____ Social Security Number



STATEMENT OF CITIZENSHIP, ALIENAGE, AND IMMIGRATION STATUS FOR STATE PUBLIC BENEFITS

Print Name of Applicant (the applicant is the person who wants to receive a California Housing Finance Agency (CalHFA) Single Family Lending Program loan or to occupy a Multifamily Program unit):	Date:
Print Name of Person Acting for Applicant, if any:	*Relationship to Applicant

STATE PUBLIC BENEFITS TO CITIZENS AND ALIENS

Citizens and other nationals of the United States who meet all eligibility requirements may receive a CalHFA Single Family Lending Program loan or occupancy of a Multifamily Program unit and must complete Sections A and C of this form.

Aliens who meet all eligibility requirements may receive a CalHFA Single Family Lending Program loan or occupancy of a Multifamily Program unit and must complete Sections B and C of this form.

SECTION A: CITIZENSHIP STATUS DECLARATION

1. Is the applicant a citizen or other national of the United States? Yes ☐
2. To establish citizenship or nationality, please submit proof of citizenship or nationality of the United States, which includes copies of the Applicant's birth certificate, passport, certificate of U.S. Citizenship or naturalization, or other proof of citizenship.

IF YOU ARE A CITIZEN OR OTHER NATIONAL OF THE UNITED STATES, GO DIRECTLY TO SECTION C. IF YOU ARE AN ALIEN, PLEASE COMPLETE SECTION B AND SECTION C.

SECTION B: ALIEN STATUS DECLARATION

IMPORTANT: Please indicate the applicant's alien status below, and submit original and unexpired documents evidencing such status. The alien status documents listed for each category are the most commonly used documents that the United States Citizenship and Immigration Services (USCIS), formerly the United States Immigration and Naturalization Service (INS), provides to aliens in those categories. The applicant can provide other acceptable evidence of his or her alien status even if not listed below.

1. An alien lawfully admitted for permanent residence under the Immigration and Naturalization Act (INA). Evidence includes: ☐
 - USCIS Form I-551 (Alien Registration Receipt Card, commonly known as a "green card"); or
 - Unexpired Temporary I-551 stamp in foreign passport or on USCIS form I-94.
2. An alien who is granted asylum under Section 208 of the INA. Evidence includes: ☐

- USCIS Form I-94 annotated with stamp showing grant of asylum under section 208 of the INA;
 - USCIS Form I-688B (Employment Authorization Card) annotated “274a.12(a)(5)”;
 - USCIS Form I-766 (Employment Authorization Document) annotated “A5”;
 - Grant of Status letter from the Asylum Office of USCIS; or
 - Order of an immigration judge granting asylum.
3. A refugee admitted to the United States under Section 207 of the INA. Evidence includes: ☐
- USCIS Form I-94 annotated with stamp showing admission under Section 207 of the INA;
 - USCIS Form I-688B (Employment Authorization Card) annotated “274a.12(a)(3)”;
 - USCIS Form I-766 (Employment Authorization Document) annotated “A3”;
 - USCIS Form I-131 (Refugee Travel Document).
4. An alien paroled into the United States under section 212(d)(5) of the INA for at least one year. Evidence includes: ☐
- USCIS Form I-94 with stamp showing admission under Section 212(d)(5) of the INA.
5. An alien whose deportation is being withheld under Section 243(h) of the INA (as in effect immediately prior to April 1, 1997) or whose removal is being withheld under section 241 (b)(3) of such act. Evidence includes: ☐
- USCIS Form I-688B (Employment Authorization Card) annotated “274a.12(a)(10)”;
 - USCIS Form I-766 (Employment Authorization Document) annotated “A-10”; or
 - Order from an immigration judge showing deportation withheld under Section 243(h) of the INA as in effect prior to April 1, 1997, or removal withheld under Section 241 (b)(3) of the INA.
6. An alien who is granted conditional entry under Section 203(a)(7) of the INA as in effect prior to April 1, 1980. Evidence includes: ☐
- INS Form I-94 with stamp showing admission under Section 203(a)(7) of the INA;
 - INS Form I-688B (Employment Authorization Card) annotated “274a.12(a)(3)”;
 - INS Form I-766 (Employment Authorization Document) annotated “A-3”.
7. An alien who is a Cuban or Haitian immigrant (as defined in Section 501 (e) of the Refugee Education Assistance Act of 1980). Evidence includes: ☐
- USCIS Form I-551 (Alien Registration Receipt Card, commonly known as a “green card”) with the code CU6, CU7 or CH6; or
 - Unexpired temporary I-551 stamp in foreign passport or on USCIS Form I-94 with the code CU6 or CU7; or
 - USCIS Form I-94 with stamp showing parole as “Cuban/Haitian Entrant” under Section 212(d)(5) of the INA.
8. An alien not in categories 1 through 7 who has been admitted to the United States for a limited period of time (a non-immigrant). Non-immigrants are ☐

persons who have temporary status for a specific purpose. (Evidence includes USCIS Form I-94 showing this status.)

9. **Battered Alien Provisions:** An alien who has been battered or subjected to extreme cruelty pursuant to 8 U.S.C. 1641(c) (check the box below that applies):

- Check if the USCIS has approved a petition or application (USCIS Form I-130 or I-360) filed by or on behalf of the applicant under the INA or found that a pending petition sets forth a prima facie case. ☐
- Check if the Executive Office for Immigration Review ("EOIR") has or is considering suspension of deportation under Section 244(a)(3) or cancellation of removal under Section 240A(b)(2) of the INA. ☐

SECTION C:

I DECLARE UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE ANSWERS I HAVE GIVEN ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE. ALSO, BY SIGNING THIS DECLARATION I HEREBY AGREE THAT THE CALIFORNIA HOUSING FINANCE AGENCY MAY, DIRECTLY OR THROUGH ITS CONTRACTORS, AGENTS, GRANTEEES OR DESIGNEES, TAKE SUCH ACTIONS AS IT DEEMS NECESSARY TO VERIFY THE ACCURACY OF THESE STATEMENTS, AND THAT ANY PERSON OR ENTITY CONTACTED BY CalHFA, ITS CONTRACTORS, AGENTS, GRANTEEES OR DESIGNEES, IN THE COURSE OF SUCH VERIFICATION, INCLUDING BUT NOT LIMITED TO THE INS, MAY RELEASE SUCH PERTINENT INFORMATION TO CalHFA AND/OR ITS CONTRACTORS, AGENTS, GRANTEEES OR DESIGNEES.

WARNING: SERIOUS LEGAL CONSEQUENCES, INCLUDING CRIMINAL AND CIVIL OR BOTH, MAY RESULT FROM A FALSE DECLARATION! FOR EXAMPLE, SECTION 1015(e) OF TITLE 18 OF THE UNITED STATES CODE PUNISHES AS A FELONY ANY KNOWING FALSE STATEMENT THAT ONE IS A CITIZEN OR OTHER NATIONAL OF THE UNITED STATES WITH THE INTENT TO OBTAIN ANY FEDERAL OR STATE BENEFIT OR SERVICE.

Applicant's Signature: _____ Date: _____

*Signature of Person
Acting for Applicant: _____ Date: _____

*If and only if the applicant is an unemancipated minor (under 18 years of age) or an adult who is not competent to or has a disability which renders him/her unable to understand or execute this Form 1, then the Form 1 shall be executed by a parent, legal guardian, or other person legally qualified to act on behalf of the applicant.

NOTICE OF DETERMINATION OF INELIGIBILITY AND DESCRIPTION
OF APPEAL PROCESS

(Lender Letterhead)

Applicant Name(s)
Current street Address
City, State, Zip

Date _____
Dear _____ :

A review of the documentation you submitted to support your declared status as a United States citizen or national or a qualified alien in connection with your application for a California Housing Finance Agency (CalHFA) loan or grant has been completed. You have been determined to be ineligible for a CalHFA loan or grant for the following reason(s): _____

(i.e., U.S. Citizenship and Immigration Services ("USCIS") has determined that you are not a United States citizen or national or qualified alien.)

(To be used only when USCIS determined that the applicant was ineligible.) If you believe that USCIS provided us with erroneous information about your immigration status, you may contact them at:

(insert the address and phone number of the local office) to provide correct information.

Any applicant who is determined to be ineligible on the basis that they are not a United States citizen or national or a qualified alien may appeal such determination. The appeal process cannot be used to appeal any other CalHFA or lender eligibility decisions (e.g. first-time homebuyer, income eligibility, credit worthiness, property eligibility, etc.).

1. To be considered, an appeal: (a) must be submitted in writing to the CalHFA; (b) must be either hand delivered, facsimile-transmitted or postmarked within fifteen (15) calendar days from the applicant's receipt of this written determination of ineligibility (this determination is deemed "received" on the date of delivery if hand delivered; on the date of transmission if facsimile transmitted, and; on the third calendar day following the date it is postmarked, if mailed.); and (c) must state the reason(s) the applicant believes the residency determination was in error. All appeals must be submitted to the California Housing Finance Agency, Homeownership Programs, insert current preferred address here: 500 Capitol Mall or P.O. Box?. If the appeal is not delivered, facsimile transmitted or postmarked within the required time period, the verification process will be considered complete and the appeal dismissed.
2. Upon receipt of an appeal, CalHFA will appoint a person to serve as a review officer which person will not be the same person who rendered the determination being appealed nor a subordinate of such person.
3. The review officer may determine the relevance of the submitted information and may request additional information from the applicant or the person who rendered the determination being appealed and any other source he or she determines has relevant and reliable information, including but not limited to the INS. The review officer may set a cutoff time after which no additional information will be accepted.

4. The review officer will review the determination being appealed including all information upon which it was based as well as all information submitted by the applicant in support of his or her appeal. The authority of the review officer will be limited to a determination of eligibility based on the applicant's status as a United States citizen or national or qualified alien and he or she will have no authority to overrule any decision or conclusion of the INS regarding the applicant's immigration status.
5. If, during the appeal process, the review officer is informed by CalHFA that the applicant is ineligible to receive the loan or grant for reasons other than his or her immigration status, the appeal will be dismissed.
6. The review officer will use his or her best efforts to provide a written notice of decision to the applicant within fifteen (15) calendar days following the receipt of appeal provided, however, that in the event the review officer is unable to do so, he or she will provide a written notice to the applicant that (a) additional time is necessary, (b) the reason why, and (c) the date by which the decision will be rendered. In the event that the review officer is unable, after using his or her best efforts to do so, render the decision within the specified time frame, the review officer may repeat the extension process, as necessary, until the decision is rendered. The decision of the review officer will be a final administrative decision which will complete the final verification process.

Questions regarding this CalHFA appeal process may be directed to CalHFA Homeownership Programs, at

Signed by: _____

Title: _____



**LENDER VERIFICATION OF
CITIZENSHIP/QUALIFIED ALIEN STATUS**

The Lender, _____
has received and examined the documents submitted by each of the
applicants _____ and
_____ for the purposes of
supporting their declared status as either a United States citizen or national
or qualified alien and found them to be reasonable evidence of each
applicant's declared status.

(Signature of Authorized Representative)

(Date)

Type or print Name and Title of Authorized Representative

(Phone)

Post-Closing Loan Delivery & Purchase

Purchase Procedures

Ship all closed first mortgage loan package(s) within ten (10) business days after loan closing to the master servicer

- All files received for purchase are time and date stamped
- If the loan file has exceptions, the master servicer will communicate via phone/fax
 - › Loan exception recap report will be sent out weekly
- All loans must be program approved and exception free before they can be purchased

All CalHFA First Loans:

- Notes are to be endorsed to U.S. Bank National Association
- Deed of Trust to be assigned to U.S. Bank National Association
 - › Loans may be registered via Mortgage Electronic Registration Systems (MERS) in lieu of Assignment of Mortgage Deed of Trust
- Loss Payee Clause:

U.S. Bank National Association
Its successors and/or assigns as their interest may appear.
c/o U.S. Bank Home Mortgage
P.O. Box 7298
Springfield, OH 45501-7298
- Send CalPLUS FHA closed loan files and documents to:

US Bank MRBP
17500 Rockside Rd.
Bedford, OH 44146
Attn: Operations Department
lender.management@usbank.com

All CalHFA Subordinate Loan(s):

- All CalHFA subordinate loans must be funded, delivered and purchased by CalHFA concurrently with the first mortgage
- Subordinate loan documents are to be drawn in CalHFA's name
- Loss Payee Clause:

California Housing Finance Agency
Its successor and/or assigns
1040 Riverside Pkwy., Ste. 110
West Sacramento, CA 95605
- Send ZIP, ECTP and CHDAP (if applicable) closed loan files and documents to:

California Housing Finance Agency
Single Family Lending – MS 910
500 Capitol Mall, Ste. 400
Sacramento, CA 95814
877.922.5432

CalHFA MMC Tax Credit Closing Package(s):

- All final Closing Packages for the MCC application and documents should be submitted to the MCC Program Administrator at:

eHousingPlus
3050 Universal Blvd. Ste. 190
Weston, FL 33331
954.217.0817

(continued on next page)

Post-Closing Loan Delivery & Purchase (cont.)

Checklists

Use the Loan Purchase Checklist to ensure you are submitting a complete and accurate package.

Lender must use the following forms:

1. Most current version of standard FHA Fixed Rate Note
2. Most current version of standard FHA Deed of Trust
3. Lender must also use other applicable documents (e.g., PUD Rider, etc.)
4. ZIP Note (08/05/13)
5. ZIP Deed of Trust (08/05/13)
6. MSV Part II (Purchase Submittal and Lender Certification (6/27/12))

PROMISSORY NOTE
(CalHFA Zero Interest Program)
[With FHA First Loans Only]

Property Address: _____

\$ _____ , _____

FOR VALUE RECEIVED, the undersigned, _____ (the "**Borrower**"), hereby promises to pay to the order of the California Housing Finance Agency, a public instrumentality and a political subdivision of the State of California (the "**Lender**"), its assignee or holder, whose address is 500 Capitol Mall, Suite 1400, Sacramento, California 95814 as further provided herein a principal amount equal to _____ Dollars (\$ _____), with no interest accruing thereon (except as provided in Paragraph 9 below). The obligation of the Borrower with respect to this Note is secured by that certain deed of trust entitled "Permanent Deed of Trust with Assignment of Rents, Security Agreement and Fixture Filing (CalHFA Zero Interest Program)" (the "**Deed of Trust**"), and executed by the Borrower contemporaneously herewith.

1. *The Borrower's Obligation.* This Note evidences the obligation of the Borrower to the Lender for the repayment of funds loaned to finance the purchase of that certain real property (the "**Property**") described in the Deed of Trust. The amount of principal plus deferred accrued interest shall be due and payable at the end of the Term of Note as set forth in paragraph 3 below, or upon acceleration of payment as set forth in paragraph 4 below.

2. *Occupancy.* The Borrower shall continuously occupy the Property as the Borrower's principal place of residence during the term of this Note.

3. *Repayment of Loan Principal and Interest.* This is a deferred payment obligation. The Borrower shall repay to the Lender the principal, interest (if applicable) and any other amounts due under this Note on the earliest of the following occurrences:

- (1) The First note and deed of trust on the Property is paid in full or reaches its maturity date, whichever occurs first;
- (2) The First note and deed of trust on the Property is refinanced; or
- (3) The First note and deed of trust on the Property becomes due and payable for any reason.

4. *Acceleration of Payment.* The principal amount of this Note, together with any then outstanding accrued interest thereon, shall at the election of CalHFA become immediately due and payable upon the occurrence of any of the following events:

- (1) In the event of a default under the terms of this Note or the Deed of Trust securing this Note; or
- (2) In the event of a default under the terms of any superior note or deed of trust on the Property.

5. *Place and Manner of Payment.* All amounts due and payable under this Note are payable at the principal office of the Lender set forth above, or at such other place or places as the Lender may designate to the Borrower in writing from time to time.

6. *Application of Payments.* All payments received on account of this Note shall be first applied to accrued interest and the remainder shall be applied to the reduction of principal.

7. *Attorney's Fees.* The Borrower hereby agrees to pay all costs and expenses, including reasonable attorney's fees, which may be incurred by the Lender in the enforcement of this Note.

8. *Default and Acceleration.* All covenants, conditions and agreements contained in the Deed of Trust are hereby made a part of this Note, and the Borrower agrees that the unpaid balance of the then principal amount of this Note, together with all accrued interest thereon and charges owing, shall, at the option of the Lender or, if so provided in this Note or the Deed of Trust, shall automatically, become immediately due and payable, and thereafter until paid bear interest at the rate of ten percent (10%) per annum, upon the failure of the Borrower to make any payment hereunder as and when due; upon the failure of the Borrower to perform or observe any other term or provision of this Note, or upon the occurrence of any event (whether termed default, event of default or similar term) which under the terms of the Deed of Trust, shall entitle the Lender to exercise rights or remedies thereunder.

9. *Notices.* Except as may be otherwise specifically provided herein, any approval, notice, direction, consent, request or other action by the Lender shall be in writing and may be communicated to the Borrower at the address of the Property, or at such other place or places as the Borrower shall designate to the Lender in writing, from time to time, for the receipt of communications from the Lender.

10. *No Prohibition Against Prepayment.* The Borrower may prepay this Note at any time without penalty.

11. *Governing Law.* This Note shall be construed in accordance with and be governed by the laws of the State of California.

12. *Severability.* If any provision of this Note shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.

13. *Time.* Time is of the essence of this Note.

14. *No Waiver by the Lender.* No waiver of any breach, default or failure of condition under the terms of this Note or the Deed of Trust shall be implied from any failure of the Lender to take, or any delay by the Lender in taking action with respect to such breach, default or failure or from any previous waiver of any similar or unrelated breach, default or failure; and a waiver of any term of this Note, the Deed of Trust, or any of the obligations secured thereby must be made in writing and shall be limited to the express written terms of such waiver.

15. *Successors and Assigns.* The promises and agreements herein contained shall bind and inure to the benefit of, as applicable, the respective heirs, executors, administrators, successors and assigns of the parties.

_____ Borrower	_____ Borrower
_____ Borrower	_____ Borrower
_____ Borrower	_____ Borrower

RECORDING REQUESTED BY AND WHEN
RECORDED RETURN TO:

(For Recorder's Use Only)

California Housing Finance Agency
Homeownership Programs
Subordinate Loan Processing Unit
P.O. Box 4034, MS 910
Sacramento, CA 95812-4034

**PERMANENT DEED OF TRUST WITH ASSIGNMENT OF RENTS,
SECURITY AGREEMENT AND FIXTURE FILING
(CalHFA Zero Interest Program)
[With FHA First Loans Only]**

This Deed of Trust is made on _____, 2_____, by _____ (the "Borrower"), to the California Housing Finance Agency, a public instrumentality and a political subdivision of the State of California, (the "Trustee") whose business address is 500 Capitol Mall, Suite 1400, Sacramento, California 95814 in favor of the California Housing Finance Agency, a public instrumentality and a political subdivision of the State of California, as beneficiary (the "Lender"), whose address is 500 Capitol Mall, Suite 1400, Sacramento, California, 95814, and any successors or assigns.

1. BORROWER, IN CONSIDERATION OF THE INDEBTEDNESS RECITED HEREIN AND THE TRUST HEREIN CREATED HEREBY IRREVOCABLY GRANTS, TRANSFERS AND ASSIGNS to Trustee in trust, with power of sale and right of entry and possession, all of Borrower's right, title and interest now held or hereafter acquired in and to the following: (a) all of that certain real property (the "Property") located in the County of _____, State of California, described below as,

which property address is _____ and (b) all buildings, improvements and fixtures now or hereafter erected thereon, and all appurtenances, easements, and articles of property now or hereafter affixed to, placed upon or used in connection with the Property, together with all additions to, substitutions for, changes in or replacements of the whole or any part of said articles of property (all of which real and personal property are sometimes referred to as the "Property"); all of which are hereby pledged and assigned, transferred, and set over onto Trustee, and for purposes of this Deed of Trust declared

to be part of the realty; provided, however, that furniture and other personal property of Borrower now or hereafter situated on said real property are not intended to be included as part of the Property.

2. *Payment of Principal and Interest.* Borrower shall promptly pay when due the principal of and interest (if applicable) on the indebtedness evidenced by the Note and late charges as provided by the Note, as defined in paragraph 5 below.

3. *Application of Payments.* Unless applicable law provides otherwise, all payments received by Lender under the Note will be applied by Lender first to interest payable on the Note, and then to the outstanding principal of the Note.

4. *Payment Due.* This loan is due in full in the event (a) HUD purchase money deed of trust recorded concurrently herewith becomes all due and payable, whether by acceleration or otherwise; (b) the First Note and Deed of Trust is paid in full; or (c) the First Note and Deed of Trust is refinanced.

BORROWER HEREBY ABSOLUTELY, UNCONDITIONALLY AND IRREVOCABLY ASSIGNS to Lender all rents, royalties, issues, accounts and profits of or relating to the Property. This assignment is absolute, primary and direct and is not intended to be a separate or secondary pledge, or other form of additional security, and no further act or step is or shall be required of Lender to perfect this assignment. This assignment shall not impose upon Lender any duty to cause the Property to produce rents nor shall Lender be deemed to be a mortgagee in possession by reason thereof for any purpose. The rights of the Lender to all rents, royalties, issues, accounts and profits of, or relating to the Property, are subordinate to the rights of the holder of the first senior lienholder.

5. THE ABOVE GRANT, TRANSFER, AND ASSIGNMENTS ARE FOR THE PURPOSE OF SECURING:

Payment of the indebtedness evidenced by that certain promissory note of Borrower of even date herewith and titled "Promissory Note (CalHFA Zero Interest Program) [With HFA First Loans Only]" (the "Note") of Borrower in the face amount of _____ Dollars (\$ _____), together with interest (if applicable) on such indebtedness according to the terms of the Note, and any and all amendments, modifications, extensions or renewals of the Note.

6. TO PROTECT THE SECURITY OF THIS DEED OF TRUST, BORROWER AGREES:

6.1 *Maintenance of the Property.* (a) To keep the Property in a decent, safe, sanitary, tenantable condition and repair and permit no waste thereof; (b) not to commit or suffer to be done or exist on or about the Property any condition causing the Property to become less valuable; (c) not to remove, demolish or structurally alter any buildings and improvements now or hereinafter located on the Property; (d) to repair, restore or rebuild promptly any buildings or improvements on the Property that may become damaged or be destroyed while subject to the lien of this Deed of Trust; (e) to comply with all applicable laws, ordinances and governmental regulations affecting the Property or requiring any alteration or improvement thereof, and not to suffer or permit any violations of any such law, ordinance or governmental regulation, nor of any covenant, condition or restriction affecting the Property; (f) not to initiate or acquiesce in any change in any zoning or other land use or legal classification which affects any of the Property without Lender's written consent; and (g) not to alter the use of all or any part of the Property without the prior written consent of the Lender.

6.2 *Insurance.* To keep the Property insured, with loss payable to Lender, against loss or damage by fire and such other hazards, casualties and contingencies and by such companies, on such forms and in the amount of the replacement cost of the buildings or improvements on the Property, and to deliver the original of all such policies to Lender, together with receipts satisfactory to Lender evidencing payment of the premiums. All such policies shall provide that Lender shall be given thirty (30) days advance written notice of the cancellation, expiration or termination of any such policy or any material change in the coverage afforded by it. Renewal policies and any replacement policies, together with premium receipts satisfactory to Lender, shall be delivered to Lender at least thirty (30) days prior to the expiration of existing policies. Neither Trustee nor Lender shall by reason of

accepting, rejecting, approving or obtaining insurance incur any liability for the existence, nonexistence, form or legal sufficiency of such insurance, or solvency of any insurer for payment of losses.

6.3 *Payment of Taxes and Utility Charges.* To pay, at least ten (10) days prior to delinquency, all taxes and assessments, both general and special, fines, penalties, levies and charges of every type or nature levied upon or assessed against any part of the Property.

6.4 *Payment and Discharge of Liens.* Borrower shall pay, when due, all claims of every kind and nature which might become a lien on the Property or any part thereof and will not at any time create or allow to exist any lien on the Property or any part thereof of any kind or nature other than this Deed of Trust; provided, however, that the following are excepted from this prohibition: (a) liens for taxes and assessments which are not delinquent although by law are given the status of a lien, and (b) such of the above claims as are, and only during the time they are, being contested by the Borrower in good faith and by appropriate legal proceedings, and (c) such deeds of trust as are approved by Lender in writing. Borrower shall post security for the payment of these contested claims as may be requested by Lender. Borrower shall not default in the payment or performance of any obligation secured by a lien, mortgage or deed of trust which is superior to this Deed of Trust.

7. IT IS MUTUALLY AGREED THAT:

7.1 *Awards and Damages.* All judgments, awards of damages, settlements and compensation made in connection with or in lieu of (a) taking of all or any part of or any interest in the Property by or under assertion of the power of eminent domain, (b) any damage to or destruction of the Property or any part thereof by insured casualty, and (c) any other injury or damage to all or any part of the Property, are hereby assigned to and shall be paid to Lender. Lender is authorized and empowered (but not required) to collect and receive any such sums and is authorized to apply them in whole or in part upon any indebtedness or obligation secured hereby, in such order and manner as Lender shall determine at its option. Lender shall be entitled to settle and adjust all claims under insurance policies provided under this Deed of Trust and may deduct and retain from the proceeds of such insurance the amount of all expenses incurred by it in connection with any such settlement or adjustment. All or any part of the amounts so collected and recovered by Lender may be released to Borrower upon such conditions as Lender may impose for its disposition. Application of all or any part of the amounts collected and received by Lender or the release thereof shall not cure or waive any default under this Deed of Trust. If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within thirty (30) days after the date such notice is mailed, Lender is authorized to collect and apply the proceeds, at Lender's option, either to restoration or repair of the Property or to the sum secured by this Deed of Trust.

7.2 *Sale or Forbearance.* No sale of the Property, forbearances on the part of Lender or extension of the time for payment of the indebtedness hereby secured shall operate to release, discharge, waive, modify, change or affect the liability of Borrower either in whole or in part.

7.3 *Lender's Rights to Release.* Without affecting the liability of any person for payment of any indebtedness hereby secured (other than any person released pursuant hereto), including without limitation any one or more endorsers or guarantors, and without affecting the lien hereof upon any of the property not released pursuant hereto, at any time and from time to time without notice: (a) Lender may, at its sole discretion, (i) release any person now or hereafter liable for payment of any or all such indebtedness, (ii) extend the time for or agree to alter the terms of payment of any or all such indebtedness, and (iii) release or accept additional security for such indebtedness, or subordinate the lien or charge hereof; and (b) Trustee, acting pursuant to the written request of Lender, may reconvey all or any part of the Property, consent to the making of any map or plat thereof, join in granting any easement thereon, or join in any such agreement of extension or subordination.

7.4 *Reconveyance.* Upon written request of Lender stating that all sums and obligations secured hereby have been discharged, or otherwise as requested in writing by Lender, and upon surrender of this Deed of Trust and the Note and any additional loan notes to Trustee for cancellation, and upon payment to Trustee of its fees and expenses, Trustee shall reconvey, without warranty, the Property or that part thereof then held hereunder. The recitals in any reconveyance shall be conclusive proof of their truthfulness and the grantee in any such reconveyance may be described "as the person or persons legally entitled thereto". When the Property has been fully reconveyed,

the last such reconveyance shall operate as a reassignment of all of the rents, royalties, issues, accounts and profits of the Property to the person or persons legally entitled thereto unless such reconveyance expressly provides to the contrary.

7.5 *Occupancy.* Except as otherwise permitted by law or allowed pursuant to CalHFA policy, Borrower shall continuously occupy the Property as Borrower's principal place of residence during the term of the Note.

8. EVENTS OF DEFAULT

8.1 *Events of Default.* Any one or more of the following events shall constitute a default under this Deed of Trust: (a) failure of Borrower to pay the indebtedness secured hereby or any installment thereof, whether principal, interest or otherwise, when and as the same become due and payable, whether at maturity or by acceleration or otherwise; or (b) failure of Borrower to observe or to perform any covenant, condition or agreement to be observed or performed by Borrower pursuant to the Note or this Deed of Trust including but not limited to the continuous occupancy of Property by Borrower provision; or (c) the occurrence of any event which, under the terms of the Note, shall entitle Lender to exercise the rights or remedies thereunder; or (d) the occurrence of any event which, under the terms of the First note or deed of trust on the Property shall entitle Lender to exercise the rights or remedies thereunder.

8.2 *Acceleration and Sale.*

(a) *Acceleration.* In the event of any default Lender, without demand on Borrower, may declare all sums hereby secured immediately due and payable by notice thereof to Borrower or by executing and recording or by causing Trustee to execute and record a notice of default and election to cause the Property to be sold to satisfy the obligations secured hereby or by the commencement of an appropriate action to foreclose this Deed of Trust or by any other appropriate manner;

(b) *Sale.* After delivery to Trustee of a notice of default and demand for sale and after the expiration of such time and the giving of such notice of default and sale as may then be required by law, and without demand on Borrower, Trustee shall sell the Property at the time and place of sale fixed by it in said notice of sale, at public auction to the highest bidder for cash in lawful money of the United States of America, payable at time of sale. Trustee may postpone sale of all or any portion of the Property by public announcement at such time and place of sale and from time to time thereafter may postpone such sale by public announcement at the time and place fixed by the preceding postponement. Any person, including Borrower, Trustee or Lender, may purchase at such sale. Upon such sale by Trustee it shall deliver to such purchaser its deed conveying the Property so sold, but without any covenant or warranty expressed or implied.

The recitals in such deed of any matters or facts shall be conclusive proof of their truthfulness. Upon sale by Trustee, and after deducting all costs, expenses and fees of Trustee and this Deed of Trust, Trustee shall apply the proceeds of sale to the payment of the principal indebtedness hereby secured, whether evidenced by the Note or otherwise, or representing advances made or costs or expenses paid or incurred by Lender under this Deed of Trust, or any other instrument evidencing or securing any indebtedness hereby secured, in such order as Lender shall direct; and then the remainder, if any, shall be paid to the person or persons legally entitled thereto.

8.3 *Attorney's Fees.* If Trustee or Lender shall be made parties to or shall intervene in any action or proceeding affecting the property or the title thereto or the interest of Trustee or Lender under this Deed of Trust, or if Lender employs an attorney to collect any or all of the indebtedness hereby secured or to foreclose this Deed of Trust, or authorizes Trustee to conduct trustee's sale proceedings hereunder, then Trustee and Lender shall be reimbursed by Borrower, immediately and without demand, for all reasonable costs, charges and attorney's fees incurred by them or either of them in any such case whether or not suit be commenced, and the same, together with interest thereon from the date of payment at the rate of ten percent (10%) per annum.

8.4 *Exercise of Remedies; Delay.* No exercise of any right or remedy by Lender or Trustee hereunder shall constitute a waiver of any other right or remedy herein contained or provided by law, and no delay by Lender or Trustee in exercising any such right or remedy hereunder shall operate as a waiver thereof or preclude the exercise thereof during the continuance of any default hereunder.

8.5 *Trustee Substitution.* The irrevocable power to appoint a substitute trustee or trustees hereunder is hereby expressly granted to Lender, to be exercised at any time hereafter, without specifying any reason therefor by filing for record in the office where this Deed of Trust is recorded a substitution of trustee, and said power of appointment of successor trustee or trustees may be exercised as often as and whenever Lender deems advisable. The exercise of said power of appointment, no matter how often, shall not be deemed an exhaustion thereof, and upon recording of such deed or substitution of trustee or trustees so appointed shall thereupon, without further act or deed of conveyance, succeed to and become fully vested with identically the same title and estate in and to the Property hereby conveyed and with all the rights, powers, trusts and duties of the predecessor in the trust hereunder, with the like effect as if originally named as trustee or as one of the trustees.

8.6 *Remedies Cumulative.* No remedy herein contained or conferred upon Lender or Trustee is intended to be exclusive of any other remedy or remedies afforded by law or by the terms hereof to Lender or Trustee but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity.

9. MISCELLANEOUS PROVISIONS

9.1 *Successors, Assigns, Gender, Number.* The covenants and agreements herein contained shall bind, and the benefit and advantages shall inure to, the respective heirs, executors, administrators, successors and assigns of the parties. Wherever used, the singular number shall include the plural and the plural the singular, and the use of any gender shall be applicable to all genders.

9.2 *Headings.* The headings are inserted only for convenience of reference and in no way define, limit, or describe the scope or intent of this Deed of Trust, or of any particular provision thereof, or the proper construction thereof.

9.3 *Actions on Behalf of Lender.* Except as be otherwise specifically provided herein, whenever any approval, notice, direction, consent, request or other action by Lender is required or permitted under this Deed of Trust, such action shall be in writing.

9.4 *Incorporation by Reference.* The provisions of the California Housing Finance Agency program manuals and bulletins, as amended from time to time, are hereby incorporated by reference as though set out verbatim.

9.5 *Obligations of Borrower.* If more than one person has executed this Deed of Trust as "Borrower," the obligations of all such persons hereunder shall be joint and several.

9.6 *Severability.* If any provision of this Deed of Trust shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired.

9.7 *Indemnification.* Borrower shall indemnify and hold Lender, its officers and agents harmless against any and all losses, claims, demands, penalties and liabilities which Lender, its officers or agents may sustain or suffer by reason of anything done or omitted in good faith pursuant to or in connection with this Deed of Trust and not assert any claim against Lender, its officers or agents by reason of any action so taken or omitted. Borrower shall, at Borrower's expense, defend, indemnify, save and hold Lender, its officers and agents harmless from any and all claims, demands, losses, expenses, damages (general, punitive or otherwise), causes of action (whether legal or equitable in nature) asserted by any person, firm, corporation or other entity arising out of this Deed of Trust and Borrower shall pay Lender upon demand all claims, judgments, damages, losses or expenses (including reasonable legal expense) incurred by Lender as a result of any legal action arising out of this Deed of Trust.

9.8 *HUD Insurance.* Notwithstanding any provision in this Deed of Trust to the contrary, the provisions of the HUD purchase money deed of trust recorded concurrently herewith shall control to the extent that its provisions conflict with the provisions of this Deed of Trust. Moreover, any legal restrictions on conveyance of the property contained herein, or in any other loan document associated with the loan secured by this Deed of Trust, will

automatically terminate if title to the property is transferred by foreclosure or deed in lieu of foreclosure or if this Deed of Trust is assigned to the Secretary of HUD.

9.9 *Subordination.* This Deed of Trust is subordinate to the HUD purchase money deed of trust recorded concurrently herewith. Except for the aforementioned subordination, this Deed of Trust is intended to be and remain at all times prior and superior to any other deeds of trust on the Property.

IN WITNESS WHEREOF, Borrower has executed this Deed of Trust on the day and year set forth above.

_____ Borrower	_____ Borrower
_____ Borrower	_____ Borrower
_____ Borrower	_____ Borrower

ACKNOWLEDGEMENTS

STATE OF CALIFORNIA
COUNTY OF _____

On _____ before me, _____ (*insert the name and title of the officer*), personally appeared _____ (*insert name of signer*), who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/ their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing is true and correct.

WITNESS my hand and official seal.

(Signature) _____ (Seal)



**SUBORDINATE
MORTGAGE SUBMISSION VOUCHER PART II
PURCHASE SUBMITTAL AND LENDER CERTIFICATION**

LENDER NAME: _____ LENDER LOAN NO. _____

SHIPPER CONTACT: _____ PHONE: _____ FAX: _____

SHIPPING OFFICE ADDRESS: _____

CalHFA MANIFEST NUMBER: _____ CalHFA SUBORD. LOAN NUMBER: _____

BORROWER: _____ CO-BORROWER: _____
(Last) (First) (Initial) (Last) (First) (Initial)

NEW PROPERTY ADDRESS: _____

BORROWER'S MAILING ADDRESS: _____
(if different from property address, i.e. P.O. Box, route, etc.)

LIEN POSITION OF THIS LOAN: _____ (2ND) _____ (3RD) _____ (4TH) _____ (5TH)

PROGRAM NAME: _____ RATE: _____ TERM: _____

PRINCIPAL LOAN AMOUNT: \$ _____ CURRENT UNPAID BALANCE: \$ _____

SETTLEMENT DATE: _____

REQUIRED DOCUMENTS FOR PURCHASE (Submission Package File Order)

1. Subordinate MSV Part II: Purchase Submittal and Lender Certification (This form)
2. Original and full copy of CalHFA Subordinate Promissory Note showing California Housing Finance Agency, a public instrumentality and a political subdivision of the State of California as Lender/Beneficiary which has been executed by the borrowers (any co-signor required to sign the first Promissory Note must also sign all CalHFA Subordinate Notes)
3. Lender or title company certified copy of the Deed of Trust showing California Housing Finance Agency, a public instrumentality and political subdivision of the State of California as Lender/Beneficiary and Trustee
4. HUD final Settlement Statement
5. Signature Affidavit for all borrower(s)

LENDER'S CERTIFICATIONS

The Lender has originated the CalHFA subordinate loan and hereby certifies:

Lender has issued and delivered to borrower(s) in the appropriate time period, all required Disclosure Statements, including, but not limited to, the Initial Truth-In-Lending Disclosure Statement, Good Faith Estimate and Fair Lending Notice and Final Truth-In-Lending Disclosure Statement if changes to the initial Truth-In-Lending Disclosure were required.

Borrower Name: _____ Manifest #: _____
Lender Loan #: _____

That the subordinate loan above referenced was recorded in the proper lien position as stated in CalHFA's Conditional Loan Approval and that the Deed of Trust reflects California Housing Finance Agency, a public instrumentality and a political subdivision of the State of California as lender/beneficiary and trustee.

Based on reasonable investigation, the Lender has no reason to believe that either the Borrowers or the Sellers of the home have made any negligent or fraudulent material misstatements in connection with the loan.

That the Borrower(s) did not pay more than a \$250 application/processing fee.

That the Borrower has obtained the required hazard insurance policies (hazard/flood, as applicable) with respect to the home and the Lender will ensure that the policies are kept in force for the term of the loan.

That the Lender has completed and/or satisfied all of the CalHFA conditions of the first and/or subordinate loan approvals and other CalHFA requirements.

The Lender hereby agrees that it will immediately forward to CalHFA all information which it or any of its successors may receive during the life of the mortgage which tends to indicate that the Borrower(s) may have made a misrepresentation in applying for a loan, or that may affect the Borrower's eligibility for a loan. The Lender hereby acknowledges that its failure to comply with the CalHFA requirements or the certifications made in this statement will result in remedial action by CalHFA as prescribed in the Program Manual and the CalHFA Mortgage Purchase and Servicing Agreement (or Mortgage Purchase Agreement).

Wiring Instructions:

Bank Name: _____ **Account Number funds are to be wired to:** _____
Bank Address: _____
_____ **Attn:** _____
ABA# _____ **Phone:** _____

(Signature of Authorized Representative)

(Date)

(Type Name and Title of Authorized Representative)

(Phone)

*Note: All blanks must be completed in order for the form to be valid.

Frequently Asked Questions

What is the CalPLUS FHA Loan Program?

CalPLUS FHA loan program is a FHA-insured inclusive loan featuring a fixed interest rate first mortgage which is fully amortized for a 30-year term combined with a Zero Interest Program second mortgage (ZIP). ZIP is a 0.00% silent second for 3.5% of the total first mortgage loan amount and must be used towards down payment only.

Who can originate CalPLUS?

All lenders must be CalHFA-approved to participate; the lenders must also be approved by HUD and our master servicer, U.S. Bank.

To seek U.S. Bank approval contact the Lender Management Group at Lender.management@usbank.com

Do I need to make a reservation in the Lender Access System (LAS) before submitting a loan file to CalHFA?

Yes. The CalHFA-approved lender must make a reservation in our LAS prior to loan submission.

Does CalPLUS allow additional subordinate financing?

Yes. The California Homebuyer's Downpayment Assistance Program (CHDAP) or Extra Credit Teacher Program (ECTP) and FHA-approved subordinate loan programs may be layered with CalPLUS. When CalHFA subordinate financing is used, different income limits may apply. In the case of conflicting guidelines, the more restrictive will apply.

What areas of California are eligible for CalPLUS?

CalPLUS is a state-wide program. Properties located anywhere within the State of California may be eligible for the program.

Are there sales price limits on CalPLUS?

Yes. The sales price of the property must be within CalHFA's published [sales price limits](#). These sales price limits can be found on the CalHFA web site.

What is the maximum loan amount for CalPLUS?

The maximum total loan amount (excluding Up Front Mortgage Insurance Premium) cannot exceed the lesser of \$417,000 or FHA loan limits for the county in which the property is located.

For FHA High Balance loan limits please see CalHFA rate sheet for add-ons.

Are condominiums eligible for CalPLUS?

Yes. CalHFA will allow approved condominiums that meet FHA Condominium Project requirements.

Is a manufactured home eligible for CalPLUS?

No. CalPLUS FHA loan does not permit manufactured housing.

What automated underwriting engines do you allow for CalPLUS?

CalHFA will only accept the most recent version of Fannie Mae's Desktop

(continued on next page)

FAQ's (cont.)

Underwriter® (DU®) with the FHA Scorecard option and an Approve/Eligible decision or Freddie Mac's Loan Prospector (LP) with the FHA Scorecard option and an Accept results.

What are the minimum credit score requirements for CalPLUS?

The minimum representative credit score is 640.

Does CalHFA use the lowest credit score to determine the minimum representative credit score of 640 for CalPLUS?

No. The middle score of the lowest scoring borrower should be used to determine eligibility.

My borrower only has one credit score, is that okay for CalPLUS?

Yes. At least one credit score must be reported.

Do all of my borrowers need to meet the minimum FICO score requirement for CalPLUS?

A minimum representative credit score of 640 is required for all borrowers who have a credit score. When the borrower's spouse has no credit score they may be eligible if they obtain Approve/Eligible findings.

Can I use a Non-Traditional credit report for CalPLUS?

Yes. Non-traditional credit reports may be eligible for CalPLUS as long as the credit report has been scored and meets the minimum representative credit score.

Is manual underwriting permitted for CalPLUS?

No. CalPLUS does not allow manual underwriting.

What is the maximum age of credit documents for CalPLUS?

CalHFA will follow FHA guidelines for the age of the credit documents; except all income documents must be sixty (60) days or less at the time of submission to CalHFA.

What is the maximum LTV/CLTV for CalPLUS?

The maximum LTV is per FHA guidelines. The maximum CLTV is 103%.

The ZIP is for 3.5% of the total first loan amount. Does the total loan amount include UFMIP?

Yes. The ZIP loan amount is calculated on the loan amount of the first mortgage + UFMIP; not to exceed the borrowers minimum required investment.

Can I use the ZIP for closing cost?

No. ZIP must be used for down payment only. If CalPLUS first mortgage and the ZIP exceed 100% then you must adjust the first mortgage down accordingly.

Does the borrower have to have a cash down payment for the CalPLUS? How much of the down payment must come from the borrower's own funds?

CalHFA requires the borrower(s) to make a minimum required investment into the transaction using a sliding scale based on the borrower Representative Credit Score:

- Credit Score 640-679 \$1,500
- Credit Score > 680 \$1,000

Cash back to the borrower(s) is not allowed from the CalHFA minimum required investment.

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FAQ's (cont.)

What fees and related charges are allowed for CalPLUS?

CalHFA allows:

- Customary origination fees not to exceed the greater of 2% of the loan amount or \$3,000
- Other customary fees such as credit report fee, appraisal fee, insurance fee or similar settlement or financing cost. No additional fees are allowed for ZIP
- \$200 funding fee (payable to CalHFA's master servicer)
- In all cases the lender must meet federal and California lending laws regarding fees and charges.

Does CalPLUS require the borrower to be a first-time homebuyer?

Yes. This program is open to first-time homebuyers only, unless the borrower is a qualified veteran or purchasing a home in a Federally Designated Target Area.

Does the Federal Recapture Tax apply to CalPLUS?

No. Federal Recapture Tax does not apply to this program.

Is homebuyer education required for CalPLUS?

Yes. A CalHFA occupying borrower is required to obtain a CalHFA Homebuyer Education Counseling Certificate.

CalHFA Online Homebuyer Education sponsored by eHome Eight-hour Homebuyer Education course can be taken online from a personal computer or face-to-face at one of many [HUD-approved Counseling Agencies](#) across California.

Is a temporary buydown available for CalPLUS?

Yes. 2-1 or 1-1 temporary buydowns are allowed on CalPLUS. The borrower must qualify at the Note rate.

Will co-signers be allowed for CalPLUS?

Yes. Per FHA guidelines. The lender will consider the co-signer's income, assets, liabilities and credit history in determining creditworthiness.

Will non-occupying co-borrowers be allowed for CalPLUS?

No. Non-occupying co-borrowers are not permitted.

Is there a re-lock fee for the CalPLUS?

There is no re-lock fee. If the rate lock expires or the loan is cancelled, it can only be re-reserved and locked after a 60-day waiting period, subject to guidelines in effect at that time.

I had to cancel a CalPLUS reservation after Conditional Approval. The 60 days has now passed and I have re-reserved the loan. Do I need to submit a new file to CalHFA?

Yes. The lender must submit a new file to CalHFA with current documentation. Every file that has a new reservation number must have its own file and go through the approval process.

When will I be able to lock my interest rate for CalPLUS?

CalPLUS has two locking options. The rate can be locked at reservation or at any time during the reservation period if the float-to-lock option is chosen.

(continued on next page)

FAQ's (cont.)

I have chosen the float option for CalPLUS, and my loan has already been conditionally approved by CalHFA, but the rate has increased since approval. Do I need to have my loan re-underwritten?

Yes. CalHFA requires that the loan be approved by both the Lender and CalHFA at a rate that is equal to or higher than the requested interest rate at time of lock.

What is the rate lock period for the CalPLUS?

The rate lock period will be for 60-days.

I cannot close my loan in time. Can I get a rate lock extension?

All rate lock extension must be requested through CalHFA's Secondary Marketing Unit prior to the expiration of the current rate lock. Rate lock extension fees are posted on the CalHFA Rate Sheet.

Can my borrower pay for the cost of the rate lock extension of the CalPLUS?

Yes. The borrower(s) or seller(s) may be charged with the cost of the extension fee. At the time of purchase by CalHFA's master servicer, the rate lock extension fee(s) are to be net funded from the lender's proceeds.

What if the borrower changes properties? Can I cancel the existing reservation and re-reserve the CalPLUS?

Reservations are borrower, property and lender specific. If the borrower changes properties, the existing reservation must be cancelled before a new reservation is made. The underwriting and program guidelines in effect at the time of the re-reservation will apply.

My borrower had a loan reservation with another lender, but now they want to go through me. Can I reserve for the CalPLUS?

If the rate was not locked on the other lender's reservation, the new lender may reserve the loan once the previous reservation is cancelled by the original lender. If the rate was locked by CalHFA, the new lender may reserve the loan after the 60 day wait period from the original rate lock expiration.

Does CalPLUS need to be delivered to the master servicer by the rate expiration date?

No. The loan must be delivered and purchased by the master servicer prior to the rate lock expiration date. CalHFA suggests loan delivery by the 45th day of the rate lock so suspension items have time to clear by the rate lock expiration date.

How often does the master servicer purchase for CalPLUS?

The master servicer will purchase approved loans on a daily basis.